

I am bound to adhere to existing statutes unless action is taken to remove the conflict (Iowa Code Section 20.28). In other words, an arbitrator's decision is final only insofar as it can be implemented without statutory conflict (Iowa Code Sections 20.22(3) and 20.17(6)). The arbitrators' decisions funded by Senate File 548 simply cannot be implemented without violating Iowa law.

Since the issuance of the arbitrators' awards, there has been a significant change of circumstance. The arbitrators' awards were premised on estimated revenue growths of a 6.1 percent increase for fiscal year 1992 and a 5 percent increase for fiscal year 1993. Those estimates have been revised downward twice by the Revenue Estimating Conference since the awards were issued resulting in a total reduction in projected revenues of over \$125 million. For this reason and because the implementation of the arbitrators' awards is inconsistent with statutory limitations on the state's funds, spending and budget, and because the implementation would substantially impair and limit the performance of our statutory duties, I have proposed that the state and the unions go back to the bargaining table and renegotiate the wage provisions for the 1991-93 labor agreements. To date, the unions have verbally declined my offer.

For the above reasons, I hereby respectfully disapprove these items in accordance with Amendment IV of the Amendments of 1968 to the Constitution of the State of Iowa. All other items in Senate File 548 are hereby approved as of this date.

Sincerely,  
TERRY E. BRANSTAD, *Governor*

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## CHAPTER 267

### STATE GOVERNMENT APPROPRIATIONS AND OTHER PROVISIONS RELATING TO STATE FINANCES

*H.F. 479*

**AN ACT** relating to appropriations for state departments, agencies, programs, funds, including the department of human services, education programs and agencies, the department of economic development, justice-related programs and agencies, and INTERNET, and adjusting the school foundation aid program, adjusting certain standing appropriations, increasing the cigarette and tobacco products tax, providing for certain fees, decreasing the time period for declaring certain funds unclaimed, making relating statutory changes, and providing for effective and applicability dates.

*Be It Enacted by the General Assembly of the State of Iowa:*

#### DIVISION I DEPARTMENT OF HUMAN SERVICES

Sec. 101. **AID TO FAMILIES WITH DEPENDENT CHILDREN.** There is appropriated from the general fund of the state to the department of human services for the fiscal year beginning July 1, 1991, and ending June 30, 1992, the following amount, or so much thereof as is necessary, to be used for the purpose designated:

For aid to families with dependent children:

..... \$ 41,624,199

1. The department may fund the employee portion of the cash bonus program from unspent funds under the appropriation in this section and shall continue to evaluate the program. The department may adopt emergency rules to implement the provisions of this subsection.

2. As a condition, limitation, and qualification of the funds appropriated in this section, the department shall continue to contract for services in developing and monitoring a demonstration waiver program to facilitate providing assistance in self-employment investment to aid to dependent children families. The demonstration waiver program shall be provided for the fiscal period beginning July 1, 1991, and ending June 30, 1993, or for as long as federal approval

of the program continues. Of the funds appropriated in this section, up to \$99,592 shall be used to provide technical assistance for aid to dependent children families seeking self-employment. The technical assistance may be provided through the department or through a contract with the division of job training of the Iowa department of economic development and through a contract with the corporation for enterprise development.

3. As a condition, limitation, and qualification of the funds appropriated in this section, the department shall apply the self-employment investment demonstration waiver project statewide during the fiscal period delineated in the federal waiver submitted to operate the waiver project statewide, provided training is available to a recipient through a recognized self-employment training program. However, if the application for the federal waiver is denied and funding is available, the department may determine the counties in which it is feasible to operate the project and shall provide the project in those counties. The department may adopt emergency rules to implement the provisions of this subsection.

4. As a condition, limitation, and qualification of the funds appropriated in this section, the department shall continue the special needs program under the aid to families with dependent children program.

5. As a condition, limitation, and qualification of the funds appropriated in this section, the department may use unspent funds under the appropriation in this section to continue development of the "X-PERT" eligibility determination system.

6. As a condition, limitation, and qualification of the funds appropriated in this section, \$42,620 shall be used to expand the AFDC electronic benefits transfer (EBT) program beyond the pilot program county and to implement EBT for the food stamp program.

7. a. As a condition, limitation, and qualification of the funds appropriated in this section, the schedule of living costs under the aid to families with dependent children program for the fiscal year beginning July 1, 1991, is established as follows:

- (1) For 1 person at \$365.
- (2) For 2 persons at \$719.
- (3) For 3 persons at \$849.
- (4) For 4 persons at \$986.
- (5) For 5 persons at \$1092.
- (6) For 6 persons at \$1216.
- (7) For 7 persons at \$1335.
- (8) For 8 persons at \$1457.
- (9) For 9 persons at \$1576.
- (10) For 10 persons at \$1724.
- (11) For each additional person over 10 persons at \$173.

b. However, the following schedule of basic needs under the aid to dependent children program established for the fiscal year beginning July 1, 1990, shall remain in effect for the fiscal year beginning July 1, 1991:

- (1) For 1 person at \$183.
- (2) For 2 persons at \$361.
- (3) For 3 persons at \$426.
- (4) For 4 persons at \$495.
- (5) For 5 persons at \$548.
- (6) For 6 persons at \$610.
- (7) For 7 persons at \$670.
- (8) For 8 persons at \$731.
- (9) For 9 persons at \$791.
- (10) For 10 persons at \$865.
- (11) For each additional person over 10 persons at \$87.

c. The department may adopt emergency rules to implement the provisions of this subsection.

8. The general assembly finds that investing resources in Iowa's citizens is a key part of continued economic development and growth; that it is the public policy of the state of Iowa to strive toward providing all of its citizens with the incentives and the resources needed to

successfully participate in the world labor market; and that development of a comprehensive and coordinated human investment policy is essential to welfare reform. This policy would:

- a. Empower the citizens participating in welfare programs.
- b. Focus on permanent improvements in the standard of living of citizens receiving public assistance, and not on income maintenance.
- c. Emphasize programs which offer the greatest potential for permanent improvement, such as job training, child day care, housing assistance, and economic development.
- d. Serve all Iowans who seek assistance.
- e. Utilize nongovernment resources available from participants and the private sector.
- f. Provide a range of services, relying upon open competition in the delivery of services.
- g. Include comprehensive data collection and assessment to evaluate the program.
- h. Inform all Iowans as to the basic goals and direction of the program.

As a condition, limitation, and qualification of the funds appropriated in this section, the department of human services shall apply to the corporation for enterprise development for Iowa's participation in the study phase of a "state human investment policy" demonstration project. Of the funds appropriated in this section, up to \$75,000 shall be used for costs associated with Iowa's participation in the project. The department shall make efforts to obtain additional private and federal funding for the project, and shall submit quarterly reports on the status of the project to the legislative fiscal bureau.

Sec. 102. EMERGENCY ASSISTANCE. There is appropriated from the general fund of the state to the department of human services for the fiscal year beginning July 1, 1991, and ending June 30, 1992, the following amount, or so much thereof as is necessary, to be used for the purpose designated:

For emergency assistance to families with dependent children under Title IV-A of the federal Social Security Act to match federal funding for homeless prevention programs:  
 ..... \$ 500,000

The emergency assistance provided for in this section shall be available beginning November 1, 1991, and shall be provided only if all other publicly funded resources have been exhausted. The emergency assistance includes, but is not limited to, assisting people who face eviction, potential eviction, or foreclosure, utility shutoff or fuel shortage, loss of heating energy supply or equipment, homelessness, utility or rental deposits, or other specified crisis which threatens family or living arrangements. The emergency assistance shall be available to migrant families who would otherwise meet eligibility criteria. The department shall notify each emergency assistance recipient that the recipient may report to the department any pressure or intimidation of the recipient resulting from the recipient's eligibility for emergency assistance. The department shall report quarterly to the legislative fiscal committee concerning the reports received by the department regarding pressure or intimidation of recipients of emergency assistance. The department may adopt emergency rules to implement the beginning date and notice provisions of this section.

Sec. 103. MEDICAL ASSISTANCE. There is appropriated from the general fund of the state to the department of human services for the fiscal year beginning July 1, 1991, and ending June 30, 1992, the following amount, or so much thereof as is necessary, to be used for the purpose designated:

For medical assistance, including reimbursement for abortion services, which shall be available under the medical assistance program only for those abortions which are medically necessary:  
 ..... \$ 236,771,049

- 1. Medically necessary abortions are those performed under any of the following conditions:
  - a. The attending physician certifies that continuing the pregnancy would endanger the life of the pregnant woman.
  - b. The attending physician certifies that the fetus is physically deformed, mentally deficient, or afflicted with a congenital illness.

c. The pregnancy is the result of a rape which is reported within 45 days of the incident to a law enforcement agency or public or private health agency which may include a family physician.

d. The pregnancy is the result of incest which is reported within 150 days of the incident to a law enforcement agency or public or private health agency which may include a family physician.

e. Any spontaneous abortion, commonly known as a miscarriage, if not all of the products of conception are expelled.

2. Of the funds appropriated in this section, \$100,000 is allocated until January 31, 1992, for contingency assistance for the federal nutrition program for women, infants, and children and shall be transferred to the Iowa department of public health as necessary in order to fully utilize funding available for the program. The allocated funds shall be transferred as necessary to restore a reduction in federal funding for the federal fiscal year ending September 30, 1991, required to adjust for federal financial assistance provided during the federal fiscal year ending September 30, 1990, in excess of the federal funding allocation to the state for this program or to finance any state match expenditure in excess of the federal funding allocation for this program during the federal fiscal year ending September 30, 1991. Any moneys allocated in this subsection which are unexpended or unobligated on January 31, 1992, shall be available during the remainder of the fiscal year to the department of human services for the purposes of this section.

3. Notwithstanding section 8.39, the department may transfer funds appropriated in this section to a separate account established in the department's case management unit for expenditures required to provide case management services pursuant to the appropriation in this division for enhanced mental health, mental retardation, and developmental disabilities services, pending final settlement of the expenditures. Funds received by the case management unit in settlement of the expenditures shall be used to replace the transferred funds and are available for the purposes for which the funds were appropriated in this section.

4. If a medical assistant recipient is receiving care which is reimbursed under a federally approved home and community-based services waiver but would otherwise be approved for care in an intermediate care facility for the mentally retarded, the recipient's county of legal settlement shall reimburse the department on a monthly basis for the portion of the recipient's cost of care which is not paid from federal funds.

5. As a condition, limitation, and qualification of the funds appropriated in this section, the department shall adopt rules pursuant to chapter 17A that establish criteria for intermediate care facilities for the mentally retarded, providing for family-scale size, location, and appropriate inclusion in the community. In determining whether a certificate of need for an intermediate care facility for the mentally retarded shall be issued under chapter 135, the health facilities council and the Iowa department of public health shall consider whether the proposed facility is in compliance with the rules adopted pursuant to this subsection.

6. As a condition, limitation, and qualification of the funds appropriated in this section, the department shall develop methods to reduce recipient usage of ambulance services for reasons other than medical necessity, including notification of recipients who have received ambulance services that were not considered to be a medical necessity and ambulance services that have provided such services.

7. Of the funds appropriated in this section, \$70,929,582 is projected to be used for medical assistance reimbursement of nursing facilities.

*\*8. As a condition, limitation, and qualification of the funds appropriated in this section, notwithstanding the adoption of an administrative rule limiting coverage of organ transplants under the medical assistance program, the department shall continue to provide medical assistance coverage for organ transplants of the pancreas and the liver until the department establishes criteria for the coverage of these transplants. The criteria shall include but are not limited to health status and anticipated outcomes, including expected quality of life. The department may adopt emergency rules to implement the provisions of this subsection.\**

9. As a condition, limitation, and qualification of the funds appropriated in this section, notwithstanding the adoption of an administrative rule limiting coverage of organ transplants

under the medical assistance program, the department shall continue to provide medical assistance coverage for organ transplants to individuals who applied for and received approval from the department on or before January 1, 1991, for medical assistance coverage of an organ transplant.

*\*10. As a condition, limitation, and qualification of the funds appropriated in this section, if Senate File 342 is enacted by the Seventy-fourth General Assembly, 1991 Session, \$28,000 of the funds appropriated in this section shall be provided to the prevention of disabilities policy council for fulfillment of the federal matching funds requirement for use of the Iowa governor's planning council for developmental disabilities funds, for the purpose of section 225D.7, if enacted in Senate File 342.\**

11. It is the intent of the general assembly that the following programs under the medical assistance program shall be expanded which it is estimated will result in the indicated medical assistance expenditure savings: Iowa foundation for medical care utilization review, \$1,520,500; Unisys utilization review, \$180,000; and the "lock-in" program involving recipients with a history of seeking services from more than one provider, \$66,000. The department may adopt emergency rules to implement the provisions of this subsection.

12. As a condition, limitation, and qualification of the funds appropriated in this section, if Senate File 343,\*\* or another provision providing for group health plan cost-sharing under the medical assistance program is enacted by the Seventy-fourth General Assembly, 1991 Session, the department may adopt emergency rules to implement the cost-sharing in accordance with federal requirements.

*\*13. As a condition, limitation, and qualification of the funds appropriated in this section, notwithstanding any time limitation established in 1991 Iowa Acts, House File 173, section 105, the copayment provisions established in that section for physician services only shall be continued indefinitely.\**

14. As a condition, limitation, and qualification of the funds appropriated in this section, the department shall work with the Iowa state association of counties and the accounting firm of Ryun, Givens, Smith & Co., or another capable entity, to develop cost containment measures for intermediate care facilities for the mentally retarded which are permitted under federal medicaid requirements. The department shall adopt rules pursuant to chapter 17A to implement the requirements developed under this subsection.

15. As a condition, limitation, and qualification of the funds appropriated in this section, if the department is implementing the medical assistance program through a contract with a health maintenance organization, the department shall ensure that a medical assistance recipient enrolled in a health maintenance organization has freedom of choice to obtain enhanced maternal or prenatal health services from a state supported maternal health center and that the center receives no less than the prevailing medical assistance program reimbursement amount for provision of the services. The enhanced services include but are not limited to nutritional and psychosocial counseling and medical case management.

*\*16. As a condition, limitation, and qualification of the funds appropriated in this section, \$25,000 shall be provided as a grant to a birth center licensed under chapter 135G to demonstrate the efficacy of services provided by certified nurse midwives to medical assistance recipients.\**

17. As a condition, limitation, and qualification of the funds appropriated in this section, the department shall apply to the federal health care financing administration for funding for community-based supported living arrangements which is available under Title XIX of the federal Social Security Act, § 1930.

Sec. 104. MEDICAL CONTRACTS. There is appropriated from the general fund of the state to the department of human services for the fiscal year beginning July 1, 1991, and ending June 30, 1992, the following amount, or so much thereof as is necessary, to be used for the purpose designated:

For medical contracts:

..... \$ 4,050,000

\*Item veto; see message at end of the Act

\*\*Chapter 158 herein

As a condition, limitation, and qualification of the funds appropriated in this section, the department shall continue to contract for drug utilization review under the medical assistance program.

*\*Sec. 105. HIV-AIDS INSURANCE CONTINUATION ASSISTANCE PILOT PROGRAM. There is appropriated from the general fund of the state to the department of human services for the fiscal year beginning July 1, 1991, and ending June 30, 1992, the following amount, or so much thereof as is necessary, to be used for the purpose designated:*

*For HIV-AIDS insurance continuation assistance pilot program:*

..... \$ 60,000

1. *The department shall establish an HIV and AIDS insurance continuation assistance pilot program to be administered by the medical services division to provide insurance continuation assistance to persons with AIDS or HIV-related illnesses who are unable to maintain health insurance premium payments due to illness. The pilot program shall operate for a 2-year period beginning October 1, 1991. The funds shall be made available in a manner that provides the assistance, as needed, to recipients at any time until the end of the pilot project or until the appropriated funding is exhausted.*

2. *The department shall publicize the program for enrollment of potential participants through provision of information through the Iowa department of public health, the regional AIDS coalitions funded by the Iowa department of public health, physicians, hospitals, social workers, and social service providers, and gay and AIDS-related groups identified by the coalitions.*

3. *The program shall provide all of the following:*

a. *That an applicant is eligible for participation in the program if all of the following conditions are met:*

(1) *The applicant is a resident of the state.*

(2) *The applicant suffers from AIDS or an HIV-related illness.*

(3) *The applicant has an income of no more than 300 percent of the federal poverty level as defined by the most recently revised poverty income guidelines published by the United States department of health and human services and cash assets of no more than \$10,000.*

(4) *The applicant is enrolled in an individual or group private health insurance plan.*

(5) *The applicant is unable, due to AIDS or the HIV-related illness, to continue employment in order to pay the costs of insurance premiums.*

(6) *Enrollment in the program is the most cost-effective, available means of providing the applicant with health insurance coverage.*

b. *That an applicant is required to provide the following to verify eligibility for participation in the program:*

(1) *Documentation of income and assets, as required by rule of the department.*

(2) *Documentation through submission of a statement by the applicant's physician that the applicant suffers from AIDS or an HIV-related illness and that the applicant is, or will within a period of 6 months be, unable to continue employment.*

c. *An expedited eligibility determination process to ensure that an eligible applicant is not denied coverage under the applicant's existing policy due to nonpayment of premiums during the determination process period. This may include but is not limited to accepting preapplications from any HIV-infected person or the making of payments based on preliminary determinations.*

d. *A requirement that following enrollment in the program, a person must apply for medical assistance, if the department determines that the person is likely to be eligible for payment of premiums under the medical assistance program.*

e. *That all information relating to an applicant is confidential information and the provisions of chapter 141 are applicable to the information.*

4. *The department shall provide a preliminary report to the general assembly by January 1, 1992, and a final report to the general assembly by January 1, 1993, regarding the cost-effectiveness of the pilot program, the impact of the requirements of federal law on the pilot*

\*Item veto; see message at end of the Act

program, and the current and projected costs to the state for payment of medical assistance for the health care costs of persons with AIDS or HIV-related illnesses.

5. For the purposes of this section, "AIDS" and "HIV" mean "AIDS" and "HIV" as defined in section 141.21.

6. For the purposes of this subsection, "health insurance plan" includes nonprofit health service corporation contracts regulated under chapter 514 and health maintenance organization evidences of coverage regulated under chapter 514B.

7. As a condition, limitation, and qualification of the funds appropriated in this section, the department may transfer not more than \$10,000 of the funds appropriated in this section to the appropriation in this division for general administration to be used for administrative costs associated with this program. The department is authorized a 0.5 FTE position in addition to the positions authorized in the appropriation in this division for general administration in order to administer the program.

8. The program shall start by October 1, 1991, and the department is authorized to adopt emergency rules to implement the provisions of this section by that date.\*

\*Sec. 106. HIV-AIDS HEALTH AND SUPPORT SERVICES. There is appropriated from the general fund of the state to the department of human services for the fiscal year beginning July 1, 1991, and ending June 30, 1992, the following amount, or so much thereof as is necessary, to be used for the purpose designated:

For HIV-AIDS health and support services:

..... \$ 60,000

1. The funds appropriated in this section shall be used to provide health and support services to persons with human immunodeficiency virus infection (HIV) or acquired immune deficiency syndrome (AIDS). Not more than 1 percent of the funds appropriated in this section shall be available to the department for administrative costs.

2. The department of human services shall establish an AIDS services committee to distribute the moneys appropriated in this section. The committee shall remain active until the completion of the duties required under this section. Members of the committee are entitled to actual and necessary expenses in the performance of their official duties. However, expense reimbursements shall not exceed 2 percent of the amount appropriated in this section. The department shall appoint committee members who are knowledgeable concerning HIV infection or AIDS. The committee may consist of persons representing the following: licensed physicians and social workers, hospice organizations, home health care agencies, the homosexual community, persons with HIV infection or AIDS, and a representative of an AIDS coalition funded by the Iowa department of public health. To the extent possible, the committee members shall be the same persons who served as members of the AIDS services task force established pursuant to 1990 Iowa Acts, chapter 1259, section 6, subsection 3. The department of human services shall appoint a temporary chairperson, call the committee meetings, provide meeting space and meeting notices, and receive consortia reports which shall be provided to committee members. The committee shall cooperate with the Iowa department of public health in decision making concerning the distribution of the funds appropriated in this section.

3. The committee shall make decisions concerning the distribution of the funds to regional HIV care consortia established pursuant to Title II of the federal Ryan White Comprehensive AIDS Resources Emergency Act, Pub. L. No. 101-381. The decisions shall include determining the nonprofit consortia which will receive the funds, funding amounts, and the purposes for which the funds are to be used. The funds shall be used to provide health and support services to persons with HIV infection or AIDS living within the consortia area, as authorized by the federal Act and approved by the committee. The services may include, but are not limited to, case management, benefits advocacy, client basic emergency need grants, support groups, individual support programs, home health care, respite care, and attendant care. The committee shall hold at least two meetings, one to allocate funding to consortia and the other to receive reports from consortia and to develop recommendations for the general assembly.

\*Item veto; see message at end of the Act

4. A consortia receiving funding under this section shall include representatives of agencies or organizations providing health and support services to persons with HIV infection or AIDS who reside within the consortia area and other affected persons. The consortia shall provide reasonable services to affected persons in both urban and rural portions of the consortia area with preference given to underserved rural areas. At least 10 percent of the funds provided to a consortia shall be used to provide services to women, children, and families of persons with HIV infection or AIDS. Moneys provided to a consortia under this section shall not be used to pay for an individual's services which are covered by private insurance or a publicly funded program.

5. A consortia receiving funds under this section shall provide information required by the committee which shall include but is not limited to all of the following:

- a. The number of persons with HIV infection or AIDS in the consortia area.
- b. Demographic information concerning the persons identified, including age, race, and gender distributions.
- c. The type and quantity of health and support services needs of the persons identified.
- d. The type and quantity of health and support services provided by the consortia.
- e. The type and quantity of health and support services the consortia is unable to provide due to lack of funding or other barriers to providing services.

6. The department shall distribute funds to nonprofit consortia by contract specifying the purposes, reporting requirements, and decisions established by the committee. This section is not subject to rulemaking under chapter 17A.\*

Sec. 107. STATE SUPPLEMENTARY ASSISTANCE. There is appropriated from the general fund of the state to the department of human services for the fiscal year beginning July 1, 1991, and ending June 30, 1992, the following amount, or so much thereof as is necessary, to be used for the purpose designated:

For state supplementary assistance:

..... \$ 18,605,530

The department shall increase the personal needs allowance for residents of residential care facilities by the same percentage and at the same time as federal supplemental security and federal social security benefits are increased due to a recognized increase in the cost of living. The department may adopt emergency rules to implement the provisions of this paragraph.

Sec. 108. AID TO INDIANS. There is appropriated from the general fund of the state to the department of human services for the fiscal year beginning July 1, 1991, and ending June 30, 1992, the following amount, or so much thereof as is necessary, to be used for the purpose designated:

For aid to Indians under section 252.43:

..... \$ 38,000

The tribal council shall not use more than 5 percent of the funds for administration purposes. The department may adopt emergency rules to implement the provisions of this paragraph.

Sec. 109. CHILD DAY CARE ASSISTANCE. There is appropriated from the general fund of the state to the department of human services for the fiscal year beginning July 1, 1991, and ending June 30, 1992, the following amount, or so much thereof as is necessary, to be used for the purposes designated:

For protective child day care assistance and state child care assistance:

..... \$ 7,104,072

1. It is the intent of the general assembly that \$3,107,695 of the funds appropriated in this section be used for protective child day care assistance.

2. It is the intent of the general assembly that \$3,737,446 of the funds appropriated in this section be used for state child care assistance.

3. a. The funds allocated in this section for protective and state child care assistance shall be allocated to the department of human services districts and each district shall distribute the allocation to the counties within the district. If a district determines that a specified

\*Item veto; see message at end of the Act

portion of the funds provided to a county is sufficient to meet the county's current demand and projected growth, the district may transfer the excess amount of funds to another county. If the district determines that a specified portion of the funds provided to the district is sufficient to meet the district's current demand and projected growth for the remainder of the fiscal year, the excess amount may be transferred for use in another district.

b. For state child care assistance, eligibility shall be limited to children whose family income is equal to or less than 150 percent of the federal office of management and budget poverty guidelines. However, on or after October 1, 1991, the department may increase the income eligibility limit to be equal to or less than 75 percent of the Iowa median family income. Every effort shall be made to provide assistance for the entire fiscal year to families remaining eligible before providing assistance to eligible families who have not received assistance previously. For the entire fiscal year, the department shall develop a priority ranking of requirements for families who receive assistance, with special priority given to foster care families within the income guidelines. The requirements may include but are not limited to all of the following:

- (1) Families with an income equal to or less than 150 percent of the federal office of management and budget poverty guidelines.
- (2) Single parent families who are at risk of becoming eligible for the aid to families with dependent children program.
- (3) Families who have exhausted eligibility for transitional child care assistance.
- (4) Adolescent parents attending school.
- (5) Families who have children with special needs.
- (6) Families who are providing foster care if both foster parents are employed and child day care is consistent with the case plan.
- (7) Families with an income greater than 150 percent of the federal office of management and budget poverty guidelines but no more than 75 percent of the Iowa median family income.

c. The department may adopt emergency rules necessary to qualify to receive funding from the federal child care development block grant and the federal at-risk child care program. If required as a condition of receiving these funds, the rules may provide for eligibility, health and safety requirements, parental access to children, reimbursement rates, types of service provided, licensing standards, complaint registration procedures, or other rules necessary to establish a simplified or consolidated child day care policy.

d. Nothing in this section shall be construed or is intended as, or shall imply, a grant of entitlement for services to persons who are eligible for assistance due to an income level consistent with the requirements of this section. Any state obligation to provide services pursuant to this section is limited to the extent of the funds appropriated under this section.

4. Of the funds appropriated in this section, \$258,931 is allocated for the fiscal year beginning July 1, 1991, for the statewide program for child day care resource and referral services under section 237A.26.

5. The department may use any of the funds appropriated in this section as a match to obtain federal grants for use in expanding child day care assistance and related programs.

Sec. 110. TRANSITIONAL CHILD CARE ASSISTANCE. There is appropriated from the general fund of the state to the department of human services for the fiscal year beginning July 1, 1991, and ending June 30, 1992, the following amount, or so much thereof as is necessary, to be used for the purpose designated:

For transitional child care assistance:

	\$ 323,311
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Notwithstanding section 239.21, the department of human services shall provide the transitional child care program in accordance with the federal Family Support Act of 1988, Pub.L. No. 100-485, § 302, and applicable federal regulations. Reimbursement for services shall be limited to registered or licensed child day care providers and programs providing care, supervision, or guidance of a child which is not included under the definition of "child day care" pursuant to section 237A.1, subsection 7.

Sec. 111. JOBS PROGRAM. There is appropriated from the general fund of the state to the department of human services for the fiscal year beginning July 1, 1991, and ending June 30, 1992, the following amount, or so much thereof as is necessary, to be used for the purposes designated:

For the JOBS program:

..... \$ 4,232,610

1. Of the funds appropriated in this section, \$3,690,610 is allocated for the JOBS program. If in accordance with federal requirements, effective September 1, 1991, reimbursement under the JOBS program for child day care services shall be limited to registered or licensed child day care providers and programs providing care, supervision, or guidance of a child which is not included under the definition of "child day care" pursuant to section 237A.1, subsection 7. However, this requirement shall not apply to persons specified by rule as an aid to families with dependent children relative or as otherwise eligible for reimbursement because a licensed or registered child day care provider or program is not available. The department may adopt emergency rules to implement the provisions of this subsection.

2. Of the funds allocated in this section, \$62,000 is allocated for the food stamp employment and training program.

3. As a condition, limitation, and qualification of the funds appropriated in this section, the department shall work with family development and self-sufficiency grantees and the state's community action agencies to develop a structure that permits initiatives which raise local funds to match federal funds under the JOBS program in order to expand or to develop additional family development program initiatives.

4. Of the funds allocated in this section for the JOBS program, \$480,000 is allocated to the family development and self-sufficiency grant program as provided under section 217.12. This funding shall extend current grantee funding from December 31, 1991, to June 30, 1992.

a. No more than 5 percent of the funds allocated in this subsection shall be used for administration of the program and this percentage shall be determined for the entire fiscal year rather than on a 6-month basis. Federal financial participation received by the department relating to the funds allocated in this subsection shall be used for purposes designated under the appropriation in this division for aid to families with dependent children. Any other federal funds which are matched by other state or local funds and used for family development and self-sufficiency services shall be used for the grant program or the JOBS program.

b. Based upon the annual evaluation report concerning each grantee funded by this allocation, the family development and self-sufficiency council may use funds allocated to renew grants. Grant renewals shall be awarded on or before January 1, 1992, for a 6-month extension to June 30, 1992.

Sec. 112. CHILD SUPPORT RECOVERY. There is appropriated from the general fund of the state to the department of human services for the fiscal year beginning July 1, 1991, and ending June 30, 1992, the following amount, or so much thereof as is necessary, to be used for the purposes designated:

For child support recovery, including salaries, support, maintenance, miscellaneous purposes, and for not more than the following full-time equivalent positions:

..... \$ 3,134,277  
..... FTEs 253.50

1. The director of human services, within the limitations of the funds appropriated in this section, or funds transferred from the aid to families with dependent children program for this purpose, may establish new positions and add additional employees to the child support recovery unit when the director determines that both the current and additional employees together can reasonably be expected to recover for the aid to families with dependent children program and the nonpublic assistance support recovery program more than twice the amount of money required to pay the salaries and support for both the current and additional employees or the new positions are necessary for compliance with federal requirements and the anticipated increased recovery amount exceeds the cost of salaries and support for the new positions. In the event the director adds additional employees, the department shall

demonstrate the cost-effectiveness of the current and additional employees by reporting to the joint human services appropriations subcommittee the ratio of the total amount of administrative costs for child support recoveries to the total amount of the child support recovered.

2. Notwithstanding any other provision in law, nonpublic assistance application and user fees received by the child support recovery program are appropriated and shall be used for the purposes of the program. The department may adopt emergency rules as necessary to implement the provisions of this subsection. The director of human services may exceed the full-time equivalent position limit authorized in this section if fees collected relating to the new positions are sufficient to pay the salaries and support for the positions. The director shall report any new positions added pursuant to this section to the chairpersons and ranking members of the joint human services appropriations subcommittee and the legislative fiscal bureau. The department may adopt emergency rules as necessary to implement the provisions of this subsection.

3. The director of human services, in consultation with the department of management and the legislative fiscal committee, is authorized to receive and deposit state child support incentive earnings in the manner specified under applicable federal requirements.

4. The director of human services may establish new positions and add additional state employees to the child support recovery unit if the director determines the employees are necessary to replace county-funded positions eliminated due to termination, reduction, or non-renewal of a chapter 28E contract. However, the director must also determine that the resulting increase in the state share of child support recovery incentives exceeds the cost of the positions, the positions are necessary to ensure continued federal funding of the program, or the new positions can reasonably be expected to recover more than twice the amount of money to pay the salaries and support for the new positions.

Sec. 113. JUVENILE INSTITUTIONS. There is appropriated from the general fund of the state to the department of human services for the fiscal year beginning July 1, 1991, and ending June 30, 1992, the following amounts, or so much thereof as is necessary, to be used for the purposes designated:

For the operation of the state training school and the Iowa juvenile home, including salaries, support, maintenance, miscellaneous purposes, and for not more than the following full-time equivalent positions:

For the state juvenile institutions:

.....	\$	12,774,015
.....	FTEs	357.50

1. The following amounts of the funds appropriated and FTEs authorized in this section are allocated for the Iowa juvenile home at Toledo:

.....	\$	4,703,508
.....	FTEs	128.50

2. The following amounts of the funds appropriated and FTEs authorized in this section are allocated for the state training school at Eldora:

.....	\$	8,070,507
.....	FTEs	229.00

3. It is the intent of the general assembly that during the fiscal year beginning July 1, 1991, the population levels at the state juvenile institutions shall not exceed the population guidelines established under 1990 Iowa Acts, chapter 1239, section 21. It is also the intent of the general assembly that the state juvenile institutions apply for an adolescent pregnancy prevention grant for the fiscal year beginning July 1, 1991.

4. Within the funds appropriated in this section, the department may reallocate funds as necessary to best fulfill the needs of the institutions provided for in this appropriation.

5. The department shall report to the legislative fiscal bureau, on or before the 20th day of each month, the department's current expenditures for the institutions receiving allocations under this appropriation. The report shall include a comparison of actual to budgeted expenditures for each institution.

Sec. 114. FOSTER CARE. There is appropriated from the general fund of the state to the department of human services for the fiscal year beginning July 1, 1991, and ending June 30, 1992, the following amount, or so much thereof as is necessary, to be used for the purpose designated:

For foster care:

..... \$ 53,674,434

1. *\*As a condition, limitation, and qualification of the funds appropriated in this section, the department shall use moneys appropriated in this section to establish 30 or more enhanced service group care facility beds during the fiscal year beginning July 1, 1991.\** The department may use moneys appropriated in this section to provide enhanced funding of services to family foster homes to avert placement of children in group care facilities and may continue to provide enhanced funding of services to group care facilities to avert placement of children in more expensive, less appropriate out-of-state facilities or in a state juvenile institution. The department shall give priority to serving children whose placement at the state training school or the Iowa juvenile home would cause the state juvenile institution to exceed the population guidelines established under 1990 Iowa Acts, chapter 1239, section 21.

2. The department may transfer a portion of the funds appropriated in this section to provide subsidized adoption services or to purchase adoption services, if funds allocated under the appropriation in this division for home-based services for adoption services are insufficient.

3. The department and state court administrator shall work together in implementing an agreement which enables the state to receive funding for eligible cases under the federal Social Security Act, Title IV-E.

4. Not more than 25 percent of the children placed in foster care funded under the federal Social Security Act, Title IV-E, shall be placed in foster care for a period of more than 24 months.

5. Of the funds appropriated in this section, \$92,000 is allocated for the foster home insurance fund. Notwithstanding section 237.13, the department may use funds appropriated in this section to purchase liability insurance for licensed foster parents in lieu of providing payment for claims filed against the foster home insurance fund, if comparable coverage can be obtained through private insurance. Notwithstanding section 8.33, funds remaining in the foster home insurance fund on June 30, 1992, shall not revert to the general fund but shall remain available for expenditure in the fiscal year beginning July 1, 1992, for the purposes designated.

*\*6. As a condition, limitation, and qualification of the funds appropriated in this section, the department shall review the need to provide additional day treatment alternatives within the child welfare system and the potential to provide additional services by including day treatment provided by psychiatric medical institutions for children as a service reimbursed under medical assistance. The department shall identify the effect of providing day treatment services reimbursement under medical assistance upon state expenditures for residential treatment and other foster care services. The department may use funds appropriated in this division for medical assistance to pay the nonfederal share of costs for services reimbursed under medical assistance which are provided in a psychiatric medical institution for children.*

7. The department may use \$30,000 of the funds appropriated in this section to contract for a study of the effectiveness of needs-based and therapeutic family foster care and enhanced residential care.

8. *As a condition, limitation, and qualification of the funds appropriated in this section, the department shall develop a therapeutic foster care program in at least 1 district in the state. The program's foster care worker support staff shall serve not more than 7 foster families and shall provide respite and special support services to foster parents to enable them to serve in an active treatment capacity with the children under their care. Of the funds appropriated in this section, up to \$200,000 shall be used for therapeutic foster care reimbursement and \$284,667 for 8.00 FTEs under the appropriation and positions authorized in this division for field operations.\**

9. Funds appropriated in this section may be used to recruit foster parents and to provide preservice and in-service training for foster parents.

\*Item veto; see message at end of the Act

10. Of the funds appropriated in this section, up to \$140,000 may be used to develop and maintain the state's implementation of the national adoption and foster care information system pursuant to the requirements of Pub. L. No. 99-509.

11. As a condition, limitation, and qualification of the funds appropriated in this section, the department shall continue a family foster care advisory committee to examine department practices and policies to improve the recruitment and retention of foster parents, provide training and professional guidance where appropriate, and seek the involvement of family foster care providers in designing, developing, and participating in the creation of therapeutic foster family homes. The department shall review initiatives of other states in recruiting foster parents from appropriate families who are recipients of public assistance. In consultation with the advisory committee, the department shall seek federal waivers and make program modifications as necessary to develop a similar program for Iowa upon receiving federal approval to do so.

12. As a condition, limitation, and qualification of the funds appropriated in this section, the department shall establish specialized family foster care homes and provide specialized support and respite services to qualifying foster care families who accept infants with chemical addictions from intrauterine transmission who would otherwise remain in a hospital.

13. As a condition, limitation, and qualification of the funds appropriated in this section, the department shall continue the demonstration program to decategorize child welfare services in the 4 counties in which the program has commenced. The department may approve additional applications from a county or consortium of counties to initiate a demonstration program provided the department, the boards of supervisors in the counties, and the affected judicial districts agree to implement the program. The schedule for implementing the demonstration program in additional counties shall provide that the program be implemented on or after January 1, 1992. The department shall establish for the demonstration project counties a child welfare fund composed of all or part of the amount that would otherwise be expected to be used for residents of the counties for foster care, family-centered services, subsidized adoption, child day care, local purchase of services, state juvenile institution care, mental health institute care, state hospital-school care, juvenile detention, department-direct services, and court-ordered evaluation and treatment of juvenile services and notwithstanding any other provision of law, the fund shall be considered encumbered. Notwithstanding other service funding provisions in law, the department shall establish the fund by transferring funds from the budgets affected, except for the funds appropriated for the state mental health institutes, the state hospital-schools, the state training school, and the Iowa juvenile home which shall remain on account for the county at these institutions. A limited amount of the fund may be used to support services and reimbursement rates not allowable within historical program or service categories and administrative rule. In addition, a limited amount of the child welfare fund may be used for the family assistance fund to provide resources for a family to remain together or to be unified. It is the intent of the general assembly that the demonstration program be designed to operate in a county for a 3-year period. The 3-year time period for a decategorization project in Dubuque, Polk, Pottawattamie, or Scott county shall be considered to begin on January 1 in the first year following the year in which the county's decategorization project was approved by the department.

14. As a condition, limitation, and qualification of the funds appropriated in this section, the department shall implement changes in group foster care maintenance and service definitions to be consistent with the definitions under Title IV-E of the federal Social Security Act. *\*Federal financial participation provided under Title IV-E in excess of \$595,000, which is received as a result of the definition changes shall be apportioned to the providers implementing the changes. The excess amount shall be apportioned after the department has received all federal Title IV-E payments for the fiscal year. The excess amount shall be apportioned as a payment according to each provider's percentage of the total amount of payments made to providers implementing the changes under federal Title IV-E.\**

15. As a condition, limitation, and qualification of the funds appropriated in this section, not more than \$30,000 of the funds appropriated in this section may be used to contract with the coalition of family and children's services or another suitable entity for the development

\*Item veto; see message at end of the Act

of a computerized foster care placement information system for the state. The system shall be designed utilizing previously developed software techniques used in Pennsylvania and shall be capable of providing an on-line data base of the availability of particular foster care placements, technical support, training, and appropriate user documentation.

Sec. 115. CHILD PROTECTIVE SYSTEM IMPROVEMENTS. There is appropriated from the general fund of the state to the department of human services for the fiscal year beginning July 1, 1991, and ending June 30, 1992, the following amount, or so much thereof as is necessary, to be used for the purposes designated:

For improvements in the state system for child protection:

..... \$ 561,500

The funding appropriated in this section shall be used as determined by the department for any of the following purposes:

1. For general administration of the department to improve staff training efforts.
2. For oversight of termination of parental rights and permanency planning efforts on a statewide basis on the condition that regular reports regarding the statewide program efforts shall be provided to the legislative fiscal bureau.
3. For use by the department in general administration to promote innovative treatment programs, write grants to obtain federal and private funding, and promote public and private efforts to treat and prevent child abuse.
4. For personnel, assigned by the attorney general, to provide additional services relating to termination of parental rights and child in need of assistance cases.
5. For funding of the state multidisciplinary team to assist with difficult cases within the child abuse and foster care system and with respect to child protective investigation and initial case planning and to develop and coordinate local multidisciplinary teams.
6. For use by the department in conducting outcome-oriented evaluations of child protection, prevention, and treatment programs.
7. For specialized foster care permanency planning field operations staff.

Sec. 116. HOME-BASED SERVICES. There is appropriated from the general fund of the state to the department of human services for the fiscal year beginning July 1, 1991, and ending June 30, 1992, the following amount, or so much thereof as is necessary, to be used for the purpose designated:

For home-based services on the condition that family planning services are funded, provided that if the department amends the allocation to a program funded under this section, then the department shall promptly notify the legislative fiscal bureau of the change:

..... \$ 19,680,002

1. Of the funds appropriated in this section, \$30,000 shall be used by the department to contract with universities to provide ongoing research and evaluation assistance to programs and initiatives of the department involving family-centered services and foster care. The contracts shall make maximum use of any matching resources available from the universities with which the department contracts.
2. Of the funds appropriated in this section, \$5,086,204 shall be used for family preservation and reunification services and training. A limited amount of the funds may be used for the family assistance fund to provide other resources required for a family participating in a project to stay together or to be reunified. The payment system for the project shall not be based upon units of time, but may be based upon the cost to serve a family, including adjustments according to the provider's performance and the outcome of the services provided to each family. The department shall use the statewide family preservation and decategorization committee to assist in selecting additional projects.

Sec. 117. COMMUNITY-BASED PROGRAMS. There is appropriated from the general fund of the state to the department of human services for the fiscal year beginning July 1, 1991, and ending June 30, 1992, the following amount, or so much thereof as is necessary, to be used for the purpose designated:

For community-based programs:

..... \$ 3,224,421

1. As a condition, limitation, and qualification of the funds appropriated in this section, up to \$19,095 shall be used by the department as the financial aid from the state under section 232.142, subsection 3, for the cost of the establishment, improvement, operation, and maintenance of approved county or multicounty juvenile homes. Notwithstanding section 232.142, subsection 3, the amount provided in this subsection shall be the maximum amount of financial aid the state is obligated to provide pursuant to that provision.

2. Of the funds appropriated in this section, \$453,450 shall be used for adolescent pregnancy prevention grants. At least 75 percent of the funds shall be used for programs which incorporate family planning and pregnancy prevention services as the major component of the program. The department shall not expend more than 7 percent of the funds for administrative costs. The department shall adopt rules to implement this subsection. A grant may be awarded to a public school corporation, a maternal and child health center, an adolescent services provider, a project involving a state juvenile institution, or a nonprofit organization which is involved in adolescent issues. Grants shall be awarded for a 1-year period and shall be based on the demonstrated need for adolescent pregnancy prevention and adolescent parent services. Preference in awarding grants shall be given to projects for children placed at a state juvenile institution and projects which utilize a variety of community resources and agencies.

a. As used in this subsection, "adolescent" means a person who is less than 18 years of age or a person who is attending an accredited high school or pursuing a course of study which will lead to a high school diploma or its equivalent. The department shall establish guidelines which permit a grant recipient to continue providing services to a person who receives services under the grant as an adolescent and becomes 18 years of age or older.

b. A grant shall only be awarded to a project which provides 1 or more of the following services:

(1) Workshops and information programs for adolescents and parents of adolescents to improve communication between children and parents regarding human sexuality issues.

(2) Development and distribution of informational material designed to discourage adolescent sexual activity, to provide information regarding acquired immune deficiency syndrome and sexually transmitted diseases, and to encourage male and female adolescents to assume responsibility for their sexual activity and parenting.

(3) Early pregnancy detection, prenatal services including chlamydia testing, and counseling regarding decision-making options for pregnant adolescents.

(4) Case management and child care services provided to male and female adolescent parents.

c. Additional services may be offered by a grantee pursuant to a purchase of service contract with the department including child day care services; child development and parenting instruction; services to support high school completion, job training, and job placement; prevention of additional pregnancies during adolescence; and other personal services.

3. As a condition, limitation, and qualification of the funds appropriated in this section, at least \$216,550 shall be used to provide grants administered in accordance with the provisions for adolescent pregnancy prevention grants, except for requirements to target certain specific geographic areas of the state. The grants shall be awarded to fund any of the following purposes:

a. Programs targeted to children. A program shall include the following: components for parental involvement; parental education, including techniques for encouraging sexual abstinence; outreach services for recruiting parents and children into the program; and the provision of transportation to program staff and participants necessary for recruiting and encouraging program participation.

b. Programs intended to prevent an additional pregnancy by a parent who is less than 19 years of age. Preference in grant awards shall be given to programs which provide financial incentives to clients for their program participation and success in avoiding an additional pregnancy.

c. Providing additional pregnancy prevention grants. Preference in grant awards shall be given to programs which, in addition to other services, provide counseling to mixed gender groups of adolescents.

d. Programs intended to educate adolescents concerning the risks associated with alcohol and other drug use during pregnancy, including health, financial, emotional, and other potential long-term effects for mother and child.

4. As a condition, limitation, and qualification of the funds appropriated in this section, \$550,686 shall be used by the department for child abuse prevention grants.

Sec. 118. BLOCK GRANT SUPPLEMENTATION. There is appropriated from the general fund of the state to the department of human services for the fiscal year beginning July 1, 1991, and ending June 30, 1992, the following amount, or so much thereof as is necessary, to be used for the purpose designated:

For supplementation of federal social services block grant funds and for allocation to counties for the purchase of local services:

..... \$ 4,935,958

The funds appropriated in this section shall be allocated to counties pursuant to the rules of the department in effect on January 1, 1985. The department shall increase the income guidelines for income eligible persons receiving services funded with federal social services block grant funds for the fiscal year beginning July 1, 1991, by the same percentage and at the same time as federal social security benefits are increased due to a recognized increase in the cost of living. The department may adopt emergency rules to implement the provisions of this subsection relating to an increase in the cost of living.

Sec. 119. COURT-ORDERED SERVICES PROVIDED TO JUVENILES. There is appropriated from the general fund of the state to the department of human services for the fiscal year beginning July 1, 1991, and ending June 30, 1992, the following amount, or so much thereof as is necessary, to be used for the purpose designated:

Payment of the expenses of court-ordered services provided to juveniles which are a charge upon the state pursuant to section 232.141, subsection 4:

..... \$ 4,013,271

1. It is the intent of the general assembly that the funds appropriated in this section shall be used in a manner that allows provision of court-ordered services to juveniles for the entire specified fiscal period without the need for supplemental funding. The court shall consider the overall cost-effectiveness of services ordered by the court for juveniles under chapter 232.

2. As a condition, limitation, and qualification of the funds appropriated in this section, and notwithstanding any other provision of law, \$6,150,000 of the funds appropriated in this division for home-based services shall be used in providing court-ordered family-centered, family preservation and family reunification services designed to achieve the goals contained in a juvenile's foster care case permanency plan. The department of human services shall develop policies and procedures to ensure that priority for these services is given to juveniles who are at-risk of being adjudicated as a delinquent, being found to be a child in need of assistance, or being involuntarily committed under chapter 125 or 229.

3. As a condition, limitation, and qualification of the funds appropriated in this section, and notwithstanding section 232.141 or any other provision of law, the funds appropriated in this section shall be allocated to the judicial districts as provided in this subsection. The allocations to the districts shall be made according to a formula developed pursuant to recommendations of a committee consisting of a representative of the director of human services, a representative of the state court administrator, a representative of the Iowa state association of counties, and a representative of service providers selected by the coalition of family and children's services. The recommendations shall be based upon each judicial district's utilization of juvenile justice moneys paid pursuant to section 232.141, subsection 4, during the period beginning July 1, 1985, and ending June 30, 1990. However, to the extent possible, services paid for pursuant to that section that would have been eligible for payment under other provisions shall not be included. The judicial district's population of juveniles, adjudicated juvenile delinquents, and children and families found to be in need of assistance, during the period beginning January 1, 1990, and ending December 31, 1990, shall also be considered in developing the recommendations. The state court administrator shall make the final decision on the allocations on or before June 15, 1991.

4. Each judicial district shall establish a planning group for the court-ordered services for juveniles provided in that district. A district planning group shall be appointed by the chief judge of the judicial district and shall include local representatives of the department of human services, youth advocates, public defenders where appropriate, the judicial department, county officials or staff, and service providers. A district planning group shall meet at least quarterly and shall perform all of the following activities:

a. Establish service priorities for spending the court-ordered services funds allocated to the district.

b. Develop procedures to evaluate and improve the quality and effectiveness of the services being provided.

c. Make recommendations concerning changes in the child welfare system that are needed to ensure that children and families receive the services necessary to meet their unique needs.

d. Make efforts to ensure quality services are provided at a reasonable cost.

e. Consider billings submitted for payment under this section to ensure that no other payment source is available.

Each district planning group shall submit an annual report to the state court administrator and the department of human services. The administrator and the department shall compile these reports and submit the reports to the chairpersons and ranking members of the joint human services appropriations subcommittee and the legislative fiscal bureau.

5. On or before June 15, 1991, the department of human services shall develop policies and procedures to ensure that the funds appropriated in this section are spent only after all reasonable efforts have been made to utilize other funding sources and community-based services. The policies and procedures shall be designed to achieve the following objectives relating to services provided under chapter 232:

a. Maximize the utilization of funds which may be available from the medical assistance program including usage of the early preventive, screening, diagnosis, and treatment (EPSDT) program.

b. Recover payments from any third-party insurance coverage which is liable for coverage of the services, including health insurance coverage.

c. Pursue development of agreements with regularly utilized out-of-state service providers which are intended to reduce per diem costs.

6. The department of human services, in consultation with the state court administrator and the judicial district planning groups, shall compile a monthly report describing spending in the districts for court-ordered services for juveniles, including the utilization of the medical assistance program. The reports shall be submitted on or before the twentieth day of each month to the chairpersons and ranking members of the joint human services appropriations subcommittee and the legislative fiscal bureau.

7. Notwithstanding chapter 232 or any other provision of law, a district or juvenile court in a department of human services district shall not order any service which is a charge upon the state pursuant to section 232.141 if there are insufficient funds available in the district allocation to pay for the service. The chief juvenile court officer shall work with the district planning group to encourage use of the funds appropriated in this section such that there are sufficient funds during the entire year. The eight chief juvenile court officers shall attempt to anticipate potential surpluses and shortfalls in the allocations and shall cooperatively transfer funds between the districts' allocations as prudent.

8. Notwithstanding any provision of law, a district or juvenile court shall not order a county to pay for any service provided to a juvenile pursuant to an order entered under chapter 232 which is a charge upon the state under section 232.141.

9. As a condition, limitation, and qualification of the funds appropriated in this section, and notwithstanding any provision of law to the contrary, \$50,000 of the funds appropriated in this section may be used by the department for the administration of the programs and services provided pursuant to orders entered under chapter 232, as a supplement to funds provided in other appropriations. The department shall cooperate with the legislative fiscal bureau in developing a management information system for spending for services ordered under chapter 232.

10. As a condition, limitation, and qualification of the funds appropriated in this section, up to \$202,000 of the funds appropriated in this section may be used by the judicial department for administration of the requirements under this section and for travel associated with court-ordered placements which are a charge upon the state pursuant to section 232.141, subsection 4.

11. The department of human services may adopt emergency rules to implement the provisions of this section.

Sec. 120. IOWA VETERANS HOME. There is appropriated from the general fund of the state to the department of human services for the fiscal year beginning July 1, 1991, and ending June 30, 1992, the following amount, or so much thereof as is necessary, to be used for the purposes designated:

For operation of the Iowa veterans home, including salaries, support, maintenance, miscellaneous purposes, and for not more than the following full-time equivalent positions:

.....	\$	29,722,461
.....	FTEs	828.80

1. The department may use the gifts accepted by the director of human services pursuant to section 218.96 and other resources available to the department for use at the Iowa veterans home for purposes identified by the department.

\*2. Of the funds appropriated in this section, \$40,000 shall be transferred to the department of public defense, division of veterans affairs, and shall be used to computerize veterans records.\*

Sec. 121. MENTAL HEALTH INSTITUTES. There is appropriated from the general fund of the state to the department of human services for the fiscal year beginning July 1, 1991, and ending June 30, 1992, the following amounts, or so much thereof as is necessary, to be used for the purposes designated:

For the state mental health institutes for salaries, support, maintenance, miscellaneous purposes, and for not more than the following full-time equivalent positions:

1. State mental health institute at Cherokee:

.....	\$	14,928,541
.....	FTEs	389.75

2. State mental health institute at Clarinda:

.....	\$	7,638,209
.....	FTEs	189.16

3. State mental health institute at Independence:

.....	\$	16,005,884
.....	FTEs	436.27

4. State mental health institute at Mount Pleasant:

.....	\$	9,260,073
.....	FTEs	211.50

Sec. 122. HOSPITAL-SCHOOLS. There is appropriated from the general fund of the state to the department of human services for the fiscal year beginning July 1, 1991, and ending June 30, 1992, the following amounts, or so much thereof as is necessary, to be used for the purposes designated:

For the state hospital-schools, for salaries, support, maintenance, miscellaneous purposes, and for not more than the following full-time equivalent positions:

1. State hospital-school at Glenwood:

.....	\$	39,142,956
.....	FTEs	1,157.00

2. State hospital-school at Woodward:

.....	\$	32,054,985
.....	FTEs	931.85

\*Item veto; see message at end of the Act

Sec. 123. MENTAL HEALTH AND MENTAL RETARDATION SERVICES FUND. Notwithstanding 1990 Iowa Acts, chapter 1250, section 18, \$3,200,000 of the funds appropriated to the special mental health services fund established in that section shall be transferred to the state community mental health and mental retardation services fund established in section 225C.7 and shall be used for the purposes designated in that section. The amount transferred pursuant to this section and section 124 of this division shall not be subject to the formula provided in 1990 Iowa Acts, chapter 1250, section 18, subsection 4.

Sec. 124. ENHANCED SERVICES – COUNTY PAYMENT. Notwithstanding 1990 Iowa Acts, chapter 1250, section 18, \$2,360,000 of the funds appropriated to the special mental health services fund established in that section, or so much thereof as is necessary, shall be transferred to supplement the appropriation in section 128 of this division for the state candidate services fund for the purpose of providing funds to counties pursuant to section 128, subsection 5 of this division. The amount transferred pursuant to this section and section 123 of this division shall not be subject to the formula provided in 1990 Iowa Acts, chapter 1250, section 18, subsection 4.

Sec. 125. MENTAL HEALTH – MENTAL RETARDATION – DEVELOPMENTAL DISABILITIES SPECIAL SERVICES. There is appropriated from the general fund of the state to the department of human services for the fiscal year beginning July 1, 1991, and ending June 30, 1992, the following amount, or so much thereof as is necessary, to be used for the purpose designated:

For mental health, mental retardation, and developmental disabilities special services:  
..... \$ 382,500

1. The department and the Iowa finance authority shall develop methods to implement the financing for existing community-based facilities and to implement financing for small community-based facilities, including those facilities which may be developed under a federally approved home and community-based waiver for services provided under the medical assistance program. The department shall develop criteria for these facilities which may include provisions to restrict placements to current state hospital-school clients or to avert the placement of persons in a state hospital-school. The department shall assure that clients are referred to these facilities upon their development.

2. Of the funds appropriated in this section, \$257,219 is allocated to provide supplemental per diems to community-based residential care facilities and community living arrangements. The per diem is restricted to clients placed from the state hospital-schools and persons averted from placement in a state hospital-school who meet the appropriate level of functioning for this type of care.

3. Of the funds appropriated in this section, \$125,281 is allocated to provide funds for construction and start-up costs to develop community living arrangements to provide for persons who are mentally ill and homeless. These funds may be used to match federal Stewart B. McKinney Homeless Assistance Act grant funds.

*\*4. As a condition, limitation, and qualification of the funds appropriated in this section, the department shall adopt rules pursuant to chapter 17A providing for reimbursement under state supplementary assistance to pay for supervised apartment living and cooperative housing arrangements for persons with disabilities. The rules shall take effect July 1, 1992.\**

Sec. 126. FAMILY SUPPORT SUBSIDY PROGRAM. There is appropriated from the general fund of the state to the department of human services for the fiscal year beginning July 1, 1991, and ending June 30, 1992, the following amount, or so much thereof as is necessary, to be used for the purpose designated:

For the family support subsidy program:  
..... \$ 675,000

Sec. 127. SPECIAL NEEDS GRANTS. There is appropriated from the general fund of the state to the department of human services for the fiscal year beginning July 1, 1991, and

\*Item veto; see message at end of the Act

ending June 30, 1992, the following amount, or so much thereof as is necessary, to be used for the purpose designated:

To provide special needs grants to families with a family member at home who has a developmental disability or to a person with a developmental disability:

..... \$ 55,000

Grants must be used by a family to defray special costs of caring for the family member to prevent out-of-home placement of the family member or to provide for independent living costs. A grant may provide up to \$5,000 per person for costs associated with an assistive animal. The grants may be administered by a private nonprofit agency which serves people statewide provided that no administrative costs are received by the agency. Regular reports regarding coordination of the special needs grants with the family support subsidy program shall be provided to the legislative fiscal bureau.

Sec. 128. ENHANCED MENTAL HEALTH – MENTAL RETARDATION – DEVELOPMENTAL DISABILITIES SERVICES. There is appropriated from the general fund of the state to the department of human services for the fiscal year beginning July 1, 1991, and ending June 30, 1992, the following amount, or so much thereof as is necessary, to be used for the purpose designated:

For the state candidate services fund:

..... \$ 2,545,911

1. The enhanced mental health, mental retardation, and developmental disabilities services plan oversight committee is continued, as established under 1988 Iowa Acts, chapter 1276, section 14, subsection 1, for the fiscal year which begins July 1, 1991, and ends June 30, 1992. The oversight committee shall issue a final decision regarding any issue of disagreement between a county and the department relating to expenditures for candidate services or the county's maintenance of effort.

2. For purposes of this section, "candidate services" means day treatment, partial hospitalization, and case management.

3. a. The county of legal settlement shall be billed for 50 percent of the nonfederal share of the cost of case management provided to adults, day treatment, and partial hospitalization provided under the medical assistance program for persons with mental retardation, a developmental disability, or chronic mental illness.

b. If the department has contracted with a county or a consortium of counties to be the provider of case management services, the department is responsible for any costs included within the unit rate for case management services which are disallowed for reimbursement pursuant to Title XIX of the federal Social Security Act by the federal health care financing administration. The department shall use funds appropriated under this section to credit a county for the county's share of any amounts overpaid due to the disallowed costs. If certain costs are disallowed due to requirements or preferences of a particular county in the provision of case management services the county shall not receive credit for the amount of the costs.

c. Case management services provided to children shall only be reimbursed under the medical assistance program if the services are provided in a county approved by the department to implement the program to decategorize child welfare services. In addition, the county's decategorization plan must demonstrate that the amount necessary for payment of the non-federal share of the cost for the services is available within funds allocated for the purpose of decategorization. The department may adopt emergency rules to implement the provisions of this paragraph.

4. A county is responsible to continue to expend at least the agreed upon amount expended for services in the fiscal year which ended June 30, 1987, for the fiscal year beginning July 1, 1991, for services to persons with mental retardation, a developmental disability, or chronic mental illness. Notwithstanding section 8.33, if a county does not expend the agreed upon amount in the fiscal year, the balance not expended shall not revert to the general fund of the county, but shall be carried over to the next fiscal year to be expended for the provision of services to persons with mental retardation, a developmental disability, or mental illness including, but not limited to, the chronically mentally ill, and shall be used as additional

funds. The additional funds shall be used, to the greatest extent possible, to meet unmet needs of persons with mental retardation, a developmental disability, or mental illness. This subsection does not relieve the county from any other funding obligations required by law, including but not limited to the obligations in section 222.60.

5. The department, in conjunction with the oversight committee, and with the agreement of each county, shall establish the actual amount expended for each candidate service for persons with mental retardation, a developmental disability, or chronic mental illness in the fiscal year which ended June 30, 1987, and this amount shall be deemed each county's base year expenditure for the candidate service. A disagreement between the department and a county as to the actual amount expended shall be decided by the oversight committee.

The department, in conjunction with the oversight committee, and with the agreement of each county, shall determine the expenditures in the fiscal year beginning July 1, 1990, by each county for the candidate services, including the amount the county contributes under subsection 3. If the expenditures in the fiscal year beginning July 1, 1990, exceed the base year expenditures for candidate services, then the county shall receive from the funds appropriated under this section the least amount of the following:

a. The difference between the total expenditures for the candidate services in the fiscal year beginning July 1, 1990, and the base year expenditures.

b. The amount expended by the county under subsection 3 for the fiscal year beginning July 1, 1990.

c. The amount by which total expenditures for persons with mental retardation, a developmental disability, or chronic mental illness for the fiscal year beginning July 1, 1990, less any carryover amount from the fiscal year which began July 1, 1989, exceed the maintenance of effort expenditures under subsection 4.

The department may utilize a debit-credit approach in order to implement the financial transactions with counties required by this subsection.

6. Notwithstanding section 225C.20, case management services shall be provided by the department except when a county or a consortium of counties contracts with the department to provide the services. A county or consortium of counties may contract to be the provider at any time and the department shall agree to the contract so long as the contract meets the standards for case management adopted by the department. The county or consortium of counties may subcontract for the provision of case management services if the subcontract meets the same standards. A mental health, mental retardation, and developmental disabilities coordinating board may change the provider of individual case management services at any time. If the current or proposed contract is with the department, the coordinating board shall provide written notification of a proposed change to the department on or before August 15 and written notification of an approved change on or before October 15 in the fiscal year which precedes the fiscal year in which the change will take effect.

7. This section does not relieve the county from any other funding obligations required by law, including but not limited to the obligations in section 222.60.

8. Nothing in this division is intended by the general assembly to be the provision of a fair and equitable funding formula specified in 1985 Iowa Acts, chapter 249, section 9. Nothing in this division shall be construed as, is intended as, or shall imply a claim of entitlement to any programs or services specified in section 225C.28.

9. For the purposes of this section only, persons with mental disorders resulting from Alzheimer's disease or substance abuse shall not be considered chronically mentally ill.

10. Where the department contracts with a county or consortium of counties to provide case management services, the state shall appear and defend the department's employees and agents acting in an official capacity on the department's behalf and the state shall indemnify the employees and agents for acts within the scope of their employment. The state's duties to defend and indemnify shall not apply if the conduct upon which any claim is based constitutes a willful and wanton act or omission or malfeasance in office.

Sec. 129. FIELD OPERATIONS. There is appropriated from the general fund of the state to the department of human services for the fiscal year beginning July 1, 1991, and ending June 30, 1992, the following amount, or so much thereof as is necessary, to be used for the purposes designated:

For field operations, including salaries, support, maintenance, miscellaneous purposes, and for not more than the following full-time equivalent positions:

.....	\$	41,364,127
.....	FTEs	2,289.30

1. Staff who are designated as "Title XIX case management staff" are considered to be in addition to the limit for full-time equivalent positions and the funds appropriated for field operations. As a condition, limitation, and qualification of the funds appropriated in this section, the department shall report quarterly to the chairpersons and ranking members of the legislative fiscal committee of the legislative council, the members of the joint human services appropriations subcommittee, and the legislative fiscal bureau regarding the total number of Title XIX case management staff positions filled, including the number of positions which were filled by persons who were already employed by the department in another capacity.

2. As a condition, limitation, and qualification of the funds appropriated in this section, upon the request of a county, the department shall work with the county to develop a funding plan for persons with mental retardation, a developmental disability, or chronic mental illness who are not eligible to receive case management provided under the medical assistance program and are receiving service management. With an agreed upon funding plan, the department is authorized to combine state funds that would otherwise be expended on service management with county funds to upgrade services provided to the persons from service management to case management. Staff required to implement this subsection are not subject to the limitations on full-time equivalent positions and funds appropriated for field operations.

3. As a condition, limitation, and qualification of the funds appropriated in this section, if the field operations staffing level meets the funded full-time equivalent position limit authorized in this section and a district identifies a critical position vacancy or a position with a caseweight factor greater than 120 percent of the budgeted caseweight factor for the position, the director of human services may exceed the full-time equivalent position limit authorized under this section in the amount necessary to fill the critical position vacancy or to reduce the caseweight factor to the budgeted level. For purposes of this subsection, "critical position vacancy" includes a clerical position in an office limited to a single clerical staff position. The budgeted caseweight factor for the fiscal year beginning July 1, 1991, and ending June 30, 1992, is 196 for income maintenance workers and 191 for service workers. If the department is able to increase federal financial participation relating to field operations, the moneys shall be used to reduce the budgeted caseweight factor funded by the appropriation in this section for income maintenance and service workers. *\*In addition, if the field operations staffing level meets the funded full-time equivalent position limit authorized in this section and there is a critical position vacancy in the state or the statewide average caseweight factor for a particular type of position exceeds 105 percent of the budgeted caseweight factor for that type of position, the director of human services may exceed the full-time equivalent position limit authorized in this section in an amount necessary to fill the critical position vacancy or to reduce the caseweight factor to the budgeted level. If expenditures remain within the amount appropriated in this section, the department may exceed the full-time equivalent position limit authorized in this section. The department shall report monthly to the chairpersons and ranking members of the joint human services appropriations subcommittee and to the legislative fiscal bureau regarding caseweight factor computations in each district, the statewide average caseweight factor, the existence of a critical position vacancy in any district, and action taken by the department to address any critical position vacancy problem or excess caseweight factor.\**

4. Notwithstanding the full-time equivalent position limit authorized in this section, a county implementing a decategorization project, consistent with the county's decategorization plan, may modify the staffing level in the county's human services office and the modification shall

\*Item veto: see message at end of the Act

not affect other county or district human services staffing levels and shall not be considered to be subject to the full-time equivalent position limit in this section.

5. As a condition, limitation, and qualification of the funds appropriated in this section, the department shall review the current field operations service delivery system structure. Within the funds budgeted and full-time equivalent positions authorized under this appropriation, the department shall make changes necessary to improve the system's administrative efficiency and effectiveness and to streamline these functions. Emphasis shall be placed upon increasing the program support, training, and supervision of staff who work directly with clients.

6. As a condition, limitation, and qualification of the funds appropriated in this section, the department shall eliminate the department of human services district offices in all districts except for the Des Moines district. The department shall work with the Iowa state association of counties and the affected counties to develop a transition plan for the office elimination and to equitably spread the associated costs.

7. As a condition, limitation, and qualification of the funds appropriated in this section, the department shall report to the members of the joint human services appropriations subcommittee on actions taken by the department to implement uniform reporting of maintenance and service costs for the financial reports used by service providers for reimbursement under the state supplementary assistance program and for reimbursement of purchase of service contracts under the social services block grant. The actions may include but are not limited to the development of uniform rules and consolidated cost reports. This report shall be submitted on or before October 1, 1991.

Sec. 130. GENERAL ADMINISTRATION. There is appropriated from the general fund of the state to the department of human services for the fiscal year beginning July 1, 1991, and ending June 30, 1992, the following amount, or so much thereof as is necessary, to be used for the purposes designated:

For general administration, including salaries, support, maintenance, miscellaneous purposes, and for not more than the following full-time equivalent positions:

.....	\$	9,256,818
.....	FTEs	358.45

1. Full-time equivalent positions which are funded entirely with federal, public, or private grants are exempt from the limits on the number of full-time equivalent positions provided in this section, but are approved only for the period of time for which the federal funds or grants are available for the position.

2. As a condition, limitation, and qualification of the funds appropriated in this section, if a state institution administered by the department is to be closed or reduced in size, prior to the closing or reduction the department shall initiate and coordinate efforts in cooperation with the Iowa department of economic development to develop new jobs in the area in which the state institution is located.

3. As a condition, limitation, and qualification of the funds appropriated in this section, the department shall seek federal approval of home and community-based waivers for services provided under medical assistance to persons with mental retardation and effective February 1, 1992, contingent upon federal approval of the waivers, the department shall take all measures necessary to implement the waivers, including, but not limited to, filling not more than 12 employee positions to perform duties as necessary to implement the waivers. The department shall fill the positions in a manner which results in the positions being equivalent to 4.00 FTEs for the fiscal year, however, the positions shall be annualized for the purposes of establishing the number of full-time equivalent positions in this appropriation for the fiscal year. The department may adopt emergency rules to implement the provisions of this subsection.

*\*4. As a condition, limitation, and qualification of the funds appropriated in this section, \$30,000 shall be transferred to the governor's planning council for developmental disabilities for use in contracting to continue operating a computerized information and referral project for Iowans with developmental disabilities and their families.\**

5. As a condition, limitation, and qualification of the funds appropriated in this section, 1.00 FTE shall be assigned to expand the AFDC electronic benefits transfer program (EBT) beyond the pilot program county and to implement EBT for the food stamp program.

\*Item veto; see message at end of the Act

6. As a condition, limitation, and qualification of the funds appropriated in this section, the department shall apply to the Robert Wood Johnson foundation for a grant to investigate the feasibility of establishing a system with a single state authority and regional subauthorities for the planning, funding, and administration of services for persons with mental illness. The application process shall be coordinated with the requirements of the federal Mental Health Planning Act, Pub. L. No. 99-660, and federal mental health law amendments enacted in 1990. The department shall work with legislators, advocacy groups, county representatives, and service providers as necessary in developing the grant application.

7. As a condition, limitation, and qualification of the funds appropriated in this section, \$69,145 and 1.5 FTEs of the moneys appropriated and positions authorized in this section shall be used to implement section 217.9A, establishing the commission on children, youth, and families in the department pursuant to Senate File 479,\* if enacted by the Seventy-fourth General Assembly, 1991 Session.

8. As a condition, limitation, and qualification of the funds appropriated in this section, the department, in consultation with the child development coordinating council and the family development and self-sufficiency council, shall develop a proposal for submission to the federal family support administration for a state family resource and support program grant under the federal Claude Pepper Young Americans Act of 1990, Pub. L. No. 101-501 § 933, as codified in 42 U.S.C. § 12339. The department may also apply for a planning grant under that Act. In making application, the department shall build upon existing effective programs in Iowa provided through the child development coordinating council, the family development and self-sufficiency council, adolescent pregnancy prevention grants, and child abuse prevention grants.

Sec. 131. VOLUNTEERS. There is appropriated from the general fund of the state to the department of human services for the fiscal year beginning July 1, 1991, and ending June 30, 1992, the following amount, or so much thereof as is necessary, to be used for the purpose designated:

For development and coordination of volunteer services: \$ 93,283

Sec. 132. MEDICAL ASSISTANCE, STATE SUPPLEMENTARY ASSISTANCE, AND SOCIAL SERVICE PROVIDERS REIMBURSED UNDER THE DEPARTMENT OF HUMAN SERVICES.

1. a. For the fiscal year beginning July 1, 1991, the following providers shall not have their medical assistance reimbursement rates increased over the rates in effect on June 30, 1991: providers of waived services under the home and community-based programs, optometrists for service fees only, opticians for service fees only, podiatrists, dentists, chiropractors, physical therapists, birthing centers, ambulance services, independent laboratories, area education agencies, clinics, audiologists, rehabilitation agencies, community mental health centers, family planning clinics, psychologists, hearing aid dealers, orthopedic shoe dealers, ambulatory surgery centers, and genetic counseling clinics. Reimbursement for optometric products shall not be increased. The department of human services may utilize flexibility in allocating the increase for durable medical products and supplies so that equipment and supplies which have greater wholesale cost increases may be reimbursed at a higher rate and those which have a lower or no wholesale cost increase may be reimbursed at a lower rate or have no increase. Reimbursement rates for physicians and certified registered nurse anesthetists shall not be increased. Reimbursement rates for maternal health centers shall not be increased.

b. For the fiscal year beginning July 1, 1991, the following shall have their medical assistance reimbursement rates established at the rates in effect on February 28, 1991: psychiatric medical institutions for children, early preventive screening, diagnosis, and treatment providers, providers of obstetric services when provided by physicians or certified midwives, pediatric services, and durable medical products and supplies.

*\*\*c. The department shall provide a differential per diem reimbursement rate to a psychiatric medical institution for children for short-term treatment or diagnosis services provided within a segregated unit of the institution. The differential per diem reimbursement rate shall not*

\*Chapter 109 herein

\*\*Item veto; see message at end of the Act

*exceed 120 percent of the per diem rate authorized in this section for psychiatric medical institutions for children.\**

d. The dispensing fee for pharmacists shall remain at the rate in effect on June 30, 1991. The reimbursement policy for pharmacies shall be in accordance with federal requirements. Total adjustments to reimbursements for prescription drugs shall remain within funds appropriated.

e. Effective July 1, 1991, reimbursement rates to hospitals shall not be increased over the rates in effect on June 30, 1991.

f. Reimbursement rates for rural health clinics shall be increased in accordance with increases under the federal medicare program.

g. Home health agencies certified for the medical assistance program, hospice services, and acute care mental hospitals shall be reimbursed for their current federal medicare audited costs.

h. Effective July 1, 1991, the basis for establishing the maximum medical assistance reimbursement rate for nursing facilities shall be the 70th percentile of facility costs as calculated from the June 30, 1991, unaudited compilation of cost and statistical data. *\*However, to the extent funds are available under the allocation for reimbursement of nursing facilities within the appropriation for medical assistance in this Act, the basis shall be increased to not more than the 74th percentile of facility costs as calculated from the same data.\**

i. Effective July 1, 1991, the amount provided under the medical assistance program to nursing facilities during the fiscal year ending June 30, 1991, in addition to the approved per diem rate, pursuant to 1990 Iowa Acts, chapter 1270, section 31, subsection 1, paragraph "e", subparagraph (1), shall no longer be provided.

*\*2. For the fiscal year beginning July 1, 1991, the maximum cost reimbursement rate for residential care facilities reimbursed by the department shall be \$20.01 per day. The flat reimbursement rate for facilities electing not to file semiannual cost reports shall be \$14.31 per day. For the fiscal year beginning July 1, 1991, the maximum reimbursement rate for providers reimbursed under the in-home health-related care program shall be \$397.95 per month.*

*3. For services provided by social services providers reimbursed by the department in the fiscal year beginning July 1, 1991, rates shall be increased by 2 percent over the unreduced rates in effect on June 30, 1991. However, any increase provided under this subsection shall not cause the provider's reimbursement rate to exceed the provider's actual and allowable cost plus the inflationary factor authorized in this section.\**

4. Notwithstanding the provisions of subsection 3, the department may implement revisions of the methodology for purchasing group foster care services to establish rates for group foster care services based on the study of these issues funded by the general assembly in the fiscal year which began July 1, 1989, provided the overall budget amount for the expenditures is not exceeded and the revisions of the methodology are agreed to by the affected service providers.

5. If the department's reimbursement methodology for any provider reimbursed in accordance with this section includes an inflation factor, this factor shall not exceed the amount by which the consumer price index for all urban consumers increased during the calendar year ending December 31, 1990.

6. In determining reimbursement rates for facilities reimbursed under this division, including but not limited to foster care providers, residential care facilities, nursing facilities, and community living arrangements, the department shall not include private moneys contributed to the facility in its reimbursement rate determination unless these moneys are contributed for services provided to specific individuals for whom the reimbursement rate is established by the department.

7. The department may adopt emergency rules to implement the provisions of this section except for subsection 6 for which the department shall adopt nonemergency rules pursuant to chapter 17A.

Sec. 133. ASSISTANCE TO GAMBLERS. There is appropriated from the general fund of the state to the department of human services for the fiscal year beginning July 1, 1991, and ending June 30, 1992, the following amount, or so much thereof as is necessary, to be used for the purpose designated:

\*Item veto; see message at end of the Act

For the gamblers assistance program, including salaries, support, maintenance, miscellaneous purposes, and for not more than the following full-time equivalent positions:

.....	\$	400,000
.....	FTEs	3.00

1. The department may adopt emergency rules to implement the provisions of this section within the funds appropriated in this section.

2. The Iowa lottery board and the state racing and gaming commission shall cooperate with the gamblers assistance program to incorporate information regarding the gamblers assistance program and its toll-free telephone number in printed materials distributed. The commission may require licensees to have the information available in a conspicuous place as a condition of licensure.

Sec. 134. REQUIREMENTS RELATING TO PERSONS WITH DISABILITIES. Subject to the limitations of the appropriations in this Act for the state mental health institutes and for the state hospital-schools, the department of human services shall modify staffing structures at the state hospital-schools and the state mental health institutes consistent with accreditation and certification requirements and the findings of the study on staffing commissioned by the general assembly in order to improve the level of direct staffing, reduce or simplify the levels of organizational authority where appropriate, and reduce the use of overtime. If, after review of the study recommendations, the department of human services decides to establish the position of "human resource specialist" at the state hospital-schools, the positions shall be established within the department of personnel and the department of human services may transfer to the department of personnel the associated full-time equivalent positions and moneys equal to the salary costs for the positions. The maintenance of sufficient direct care staff to assure worker and patient safety is of highest priority. The department shall work with all levels of affected employees in carrying out this staff restructuring. The department shall work to assure that vacant positions in direct care are filled promptly and expeditiously.

Sec. 135. FULL-TIME EQUIVALENT LIMIT NOTIFICATION. The Iowa veterans home, the state mental health institutes, and the state hospital-schools may exceed the number of full-time equivalent positions authorized in this Act if the additional positions are specifically related to licensing, certification, or accreditation standards or citations. The department shall notify the co-chairpersons and ranking members of the joint human services appropriations subcommittee and the legislative fiscal bureau if the specified number is exceeded. The notification shall include an estimate of the number of full-time equivalent positions added and the fiscal effect of the addition.

Sec. 136. COMPUTERIZATION — ASSESSMENT OF FINANCIAL IMPACT. In order to assess the financial impact of computerizing functions within the department of human services, the department of general services, information services division, shall monitor the utilization of the central processing unit resources maintained by the division, and shall provide quarterly reports to the legislative fiscal committee of the legislative council and the legislative fiscal bureau. The quarterly reports shall contain an analysis of the central processing unit resources utilized by the department of human services by each computerized application within the department. The reports shall also contain information on computerized applications which are under development, and shall project the central processing unit utilization which will occur in 6, 12, 18, and 24 months. The reports shall be designed to enable the legislative fiscal committee and the legislative fiscal bureau to assess the fiscal impact of various computerized applications, with emphasis upon the need for the division to purchase additional computer hardware.

*\*Sec. 137. RULE IMPLEMENTATION PROHIBITION. The department of human services shall not implement 441 Iowa administrative code, rule 81.10, subrule 5, which was delayed by the administrative rules review committee at the committee's meeting on November 13, 1990.\**

Sec. 138. Section 99E.10, subsection 1, paragraph a, Code 1991, is amended by adding the following new unnumbered paragraph:

\*Item veto; see message at end of the Act

NEW UNNUMBERED PARAGRAPH. Notwithstanding the provisions of this lettered paragraph, directing that a portion of gross lottery revenues be deposited into the gamblers assistance fund or the provisions of section 99F.11 directing that a portion of the adjusted gross receipts under chapter 99F be deposited into the gamblers assistance fund, for the fiscal period beginning July 1, 1991, and ending June 30, 1993, moneys that were to be deposited into the gamblers assistance fund pursuant to this lettered paragraph and section 99F.11, subsection 3, shall be deposited into the general fund of the state.

Sec. 139. Section 135C.2, subsection 5, paragraph b, Code 1991, is amended to read as follows:

b. A facility must be located in an area zoned for single or multiple-family housing or in an unincorporated area and must be constructed in compliance with applicable local housing codes and the rules adopted for the special classification by the state fire marshal in accordance with the concept of the least restrictive environment for the facility residents. The rules adopted by the state fire marshal for the special classification shall be no more restrictive than the rules adopted by the state fire marshal for demonstration waiver project facilities pursuant to 1986 Iowa Acts, chapter 1246, section 206, subsection 2. Local housing codes shall not be more restrictive than the rules adopted for the special classification by the state fire marshal and the state building code requirements for single or multiple-family housing.

Sec. 140. Section 135G.4, subsection 3, Code 1991, is amended by striking the subsection and inserting in lieu thereof the following:

3. Each application for a birth center license or renewal of a license, shall be accompanied by a license fee. The fee amount shall be equivalent to the fee amount established for a hospital in accordance with section 135B.4. The fees shall be deposited in the general fund of the state.

Sec. 141. Section 230.12, Code 1991, is amended to read as follows:

**230.12 ACTION TO DETERMINE LEGAL SETTLEMENT.**

1. When a dispute arises between different counties or between the administrator and a county as to the legal settlement of a person admitted or committed to a state hospital for the mentally ill, the attorney general, at the request of the administrator, shall, without the advancement of fees, cause an action to be brought in the district court of any county where such dispute exists, to determine such the legal settlement. Said This action may be brought at any time when it appears that said the dispute cannot be amicably settled. All counties which may be the place of such the legal settlement, so far as known, shall be made defendants and the allegation of such the settlement may be in the alternative. Said The action shall be tried as in equity.

2. If the action involves a dispute between counties, the county determined to be the county of legal settlement shall reimburse a county for the amount of costs paid by that county on behalf of the person and for interest on this amount in accordance with section 535.3. In addition, the court may order the county determined to be the county of legal settlement to reimburse any other county involved in the dispute for the other county's reasonable legal costs related to the dispute and may tax the reasonable legal costs as court costs. The court may order the county determined to be the county of legal settlement to pay a penalty to the other county, in an amount which does not exceed twenty percent of the total amount of reimbursement and interest.

Sec. 142. Section 237A.3, subsection 1, Code 1991, is amended to read as follows:

1. A person who operates or establishes a family day care home may apply to the department for registration under this chapter. The department shall issue a certificate of registration upon receipt of a statement from the family day care home that the home complies with rules adopted by the department. The registration certificate shall be posted in a conspicuous place in the family day care home, shall state the name of the registrant, the number of individuals who may be received for care at any one time, and the address of the home, and shall include a check list of registration compliances. No greater number of children than is authorized by the certificate shall be kept in the family day care home at any one time. However, a registered or unregistered family day care home may provide care for more than six but

less than twelve children at any one time for a period of less than two hours, ~~but shall not do so unless the home does not provide care at any one time for more than provided that each child in excess of six children who are not attending~~ is attending school full-time on a regular basis. In determining the number of children cared for at any one time in a registered or unregistered family day care home, if the person who operates or establishes the home is a child's parent, guardian, relative, or custodian and the child is not attending school full-time on a regular basis, the child shall be considered to be receiving child day care from the person and shall be counted as one of the children cared for in the home. The registration process may be repeated on an annual basis. A child day care provider or program which is not a family day care home by reason of the definition of child day care in section 237A.1, subsection 7, but which provides care, supervision or guidance to a child may be issued a certificate of registration under this chapter.

Sec. 143. NEW SECTION. 237A.27 CRISIS CHILD CARE.

The department shall establish a special child care registration or licensure classification for crisis child care which is provided on a temporary emergency basis to a child when there is reason to believe that the child may be subject to abuse or neglect. The special classification is not subject to the definitional restrictions of child day care in this chapter relating to the provision of child day care for a period of less than twenty-four hours per day on a regular basis. However, the provision of crisis child care shall be limited to a period of not more than seventy-two hours for a child during any single stay. A person providing crisis child care must be registered or licensed under this chapter and must be participating in the federal crisis nursery pilot project. The department shall adopt rules pursuant to chapter 17A to implement this section.

Sec. 144. EMERGENCY RULES. If specifically authorized by a provision of this division, the department of human services may adopt administrative rules under section 17A.4, subsection 2, and section 17A.5, subsection 2, paragraph "b", to implement the provisions and the rules shall become effective immediately upon filing, unless a later effective date is specified in the rules. In addition, the department may adopt administrative rules in accordance with the provisions of this section as necessary to comply with federal requirements or to adjust to a change in the level of federal funding which affect refugee programs during the fiscal period beginning July 1, 1990, and ending June 30, 1992. Any rules adopted in accordance with the provisions of this section shall also be published as notice of intended action as provided in section 17A.4.

Sec. 145. EFFECTIVE DATE. Section 103, subsections 8 and 9, section 130, subsection 6, section 137, and section 144 of this division, being deemed of immediate importance, take effect upon enactment.

DIVISION II  
DEPARTMENT OF EDUCATION

Sec. 201. There is appropriated from the general fund of the state to the department of education for the fiscal year beginning July 1, 1991, and ending June 30, 1992, the following amounts, or so much thereof as may be necessary, to be used for the purposes designated:

1. GENERAL ADMINISTRATION

For salaries, support, maintenance, miscellaneous purposes, and for not more than the following full-time equivalent positions:

	\$	5,562,266
	FTEs	137.25

2. CORRECTIONS EDUCATION PROGRAM

For educational programs at state penal institutions:

	\$	2,120,000
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As a condition, limitation, and qualification of the appropriation in this subsection, the utilization of educational technology in the prison education system shall be expanded and a tracking system shall be developed and implemented to provide information regarding the effects of recidivism and employment success.

Persons employed to provide instructional services under this paragraph who were previously employed through the department of corrections to provide instructional services to inmates under programs under the jurisdiction of the department of corrections shall be given credit for all unused sick leave that the persons accrued while employed through the department of corrections.

3. BOARD OF EDUCATIONAL EXAMINERS

For salaries, support, maintenance, miscellaneous purposes and for not more than the following full-time equivalent positions:

.....	\$	128,000
.....	FTEs	2.00

4. SCHOOL FOOD SERVICE

For use as state matching funds for federal programs which shall be disbursed according to federal regulations, including salaries, support, maintenance, miscellaneous purposes, and for not more than the following full-time equivalent positions:

.....	\$	3,056,205
.....	FTEs	14.00

5. TEXTBOOKS OF NONPUBLIC SCHOOL PUPILS

To provide funds for costs of providing textbooks to each resident pupil who attends a non-public school as authorized by section 301.1. The funding is limited to \$20 per pupil and shall not exceed the comparable services offered to resident public school pupils:

.....	\$	600,000
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6. VOCATIONAL EDUCATION ADMINISTRATION

For salaries, support, maintenance, miscellaneous purposes, and for not more than the following full-time equivalent positions:

.....	\$	868,000
.....	FTEs	39.60

7. VOCATIONAL AGRICULTURE YOUTH ORGANIZATION

To assist a vocational agriculture youth organization sponsored by the schools to support the foundation established by that vocational agriculture youth organization:

.....	\$	39,000
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8. VOCATIONAL REHABILITATION DIVISION

a. For salaries, support, maintenance, miscellaneous purposes, and for not more than the following full-time equivalent positions:

.....	\$	3,680,000
.....	FTEs	319.50

b. For matching funds for programs to enable severely physically or mentally disabled persons to function more independently, including salaries and support, and for not more than the following full-time equivalent positions:

.....	\$	21,303
.....	FTEs	1.50

9. COMMUNITY COLLEGES

Notwithstanding chapter 286A, for general state financial aid to merged areas as defined in section 280A.2, for vocational education programs in accordance with chapters 258 and 280A, to purchase instructional equipment for vocational and technical courses of instruction in community colleges, and for salary increases:

.....	\$	91,272,564
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The funds appropriated in this subsection shall be allocated as follows:

a. Merged Area I	\$	4,250,321
b. Merged Area II	\$	5,156,814
c. Merged Area III	\$	4,989,059
d. Merged Area IV	\$	2,343,177
e. Merged Area V	\$	4,945,241
f. Merged Area VI	\$	4,658,853
g. Merged Area VII	\$	6,393,002

h. Merged Area IX .....	\$	8,031,744
i. Merged Area X .....	\$	12,422,071
j. Merged Area XI .....	\$	13,346,353
k. Merged Area XII .....	\$	5,267,124
l. Merged Area XIII .....	\$	5,424,134
m. Merged Area XIV .....	\$	2,397,781
n. Merged Area XV .....	\$	7,439,535
o. Merged Area XVI .....	\$	4,207,355

#### 10. COMMUNITY COLLEGE PERSONAL PROPERTY TAX REPLACEMENT

For general financial aid to merged areas in lieu of personal property tax replacement payments under section 427A.13:

..... \$ 828,012

The funds appropriated in this subsection shall be allocated as follows:

a. Merged Area I .....	\$	65,152
b. Merged Area II .....	\$	50,567
c. Merged Area III .....	\$	33,891
d. Merged Area IV .....	\$	23,204
e. Merged Area V .....	\$	60,042
f. Merged Area VI .....	\$	34,514
g. Merged Area VII .....	\$	57,884
h. Merged Area IX .....	\$	69,103
i. Merged Area X .....	\$	97,180
j. Merged Area XI .....	\$	142,463
k. Merged Area XII .....	\$	46,200
l. Merged Area XIII .....	\$	40,972
m. Merged Area XIV .....	\$	20,826
n. Merged Area XV .....	\$	55,026
o. Merged Area XVI .....	\$	30,988

Sec. 202. There is appropriated from the general fund of the state to the department of education for the fiscal year beginning July 1, 1992, and ending June 30, 1993, the following amounts, or so much thereof as is necessary, to be used for the purposes designated:

1. Notwithstanding chapter 286A for state financial aid to merged areas to be accrued as income and used for expenditures incurred by the community colleges during the fiscal year beginning July 1, 1991, and ending June 30, 1992:

..... \$ 16,106,923

The funds appropriated in this section shall be allocated as follows:

a. Merged Area I .....	\$	750,057
b. Merged Area II .....	\$	910,026
c. Merged Area III .....	\$	880,422
d. Merged Area IV .....	\$	413,502
e. Merged Area V .....	\$	872,690
f. Merged Area VI .....	\$	822,150
g. Merged Area VII .....	\$	1,128,177
h. Merged Area IX .....	\$	1,417,367
i. Merged Area X .....	\$	2,192,130
j. Merged Area XI .....	\$	2,355,239
k. Merged Area XII .....	\$	929,492
l. Merged Area XIII .....	\$	957,200
m. Merged Area XIV .....	\$	423,138
n. Merged Area XV .....	\$	1,312,859
o. Merged Area XVI .....	\$	742,474

2. Funds appropriated by this section shall be allocated pursuant to this section and paid on or about August 15, 1992.

Sec. 203. There is appropriated from the general fund of the state to the department of education for the fiscal year beginning July 1, 1992, and ending June 30, 1993, the following amounts, or so much thereof as is necessary, to be used for the purposes designated:

1. For general financial aid to merged areas in lieu of personal property tax replacement payments under section 427A.13 to be accrued as income and used for expenditures incurred by the community colleges during the fiscal year beginning July 1, 1991, and ending June 30, 1992:

.....	\$	354,840
The funds appropriated in this subsection shall be allocated as follows:		
a. Merged Area I .....	\$	27,922
b. Merged Area II .....	\$	21,671
c. Merged Area III .....	\$	14,525
d. Merged Area IV .....	\$	9,924
e. Merged Area V .....	\$	25,732
f. Merged Area VI .....	\$	14,792
g. Merged Area VII .....	\$	24,807
h. Merged Area IX .....	\$	29,615
i. Merged Area X .....	\$	41,649
j. Merged Area XI .....	\$	61,056
k. Merged Area XII .....	\$	19,800
l. Merged Area XIII .....	\$	17,559
m. Merged Area XIV .....	\$	8,925
n. Merged Area XV .....	\$	23,582
o. Merged Area XVI .....	\$	13,281

2. Funds appropriated in subsection 1 shall be allocated pursuant to this section and paid on or about August 15, 1992.

Sec. 204. Moneys allocated to community colleges under section 201, subsections 9 and 10 of this division, for expenditures incurred during the fiscal year beginning July 1, 1991, and ending June 30, 1992, shall be paid by the department of revenue and finance in installments due on or about November 15, February 15, and May 15 of that fiscal year. The installments shall be as nearly equal as possible as determined by the department of management, taking into consideration the relative budget and cash position of the state resources. The payments received by community colleges on or about August 15 under sections 202 and 203 of this division are accounts receivable for the previous fiscal year.

Sec. 205. Notwithstanding the standing appropriations in section 279.51 for the fiscal year beginning July 1, 1991, and ending June 30, 1992, the amount appropriated from the general fund of the state to the department of education pursuant to that section for the following designated purposes shall not exceed the following amounts for programs for at-risk children under section 279.51, subsection 1:

.....	\$	11,088,000
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As a condition, limitation, and qualification of the funds appropriated in this section, allocations of funds appropriated under this section for the fiscal year beginning July 1, 1991, and ending June 30, 1992, for each of the programs enumerated under section 279.51, subsection 1, shall be made in the same proportion to the total amount appropriated under this section as the program allocations under section 279.51, subsection 1, relate to the total amount appropriated under section 279.51, subsection 1. Notwithstanding section 279.51, subsection 2, any funds received by the child development coordinating council under this section which exceed the total amount received by the council under section 279.51 for the fiscal year beginning July 1, 1990, and ending June 30, 1991, shall not be used for the purposes specified under section 279.51, subsection 2, paragraph "b", subparagraph (1). Of the moneys available to the child development coordinating council and the department for at-risk programs under this section, a total of no less than \$1,000,000 shall be expended for grants to districts with populations

of 1,000 or fewer pupils, and the area education agencies that serve those districts. The department of education and the child development coordinating council shall, in consultation with each other, determine the proportional amounts of each of the grants authorized under section 279.51 which are to be awarded to districts with populations of less than 1,000 pupils to meet the requirements of this section.

*\*Sec. 206. Notwithstanding the appropriation provided in section 294A.25, subsection 1, there is appropriated from the general fund of the state to the department of education for the fiscal year beginning July 1, 1991, and ending June 30, 1992, the following amount, or so much thereof as may be necessary, to be used for the purpose designated and for not more than the following full-time equivalent position:*

<i>Notwithstanding section 294A.25, for the educational excellence program:</i>	
..... \$	89,162,500
..... FTEs	1.00

*As a condition, limitation, and qualification of the funds appropriated in this section, and notwithstanding the allocation specified for phase III under section 294A.25, subsection 6, from the moneys appropriated under this section and available for expenditure for phase III, the department shall expend \$100,000 and shall use 2.00 of the FTEs allocated in section 201, subsection 1 for administration of phase III of the educational excellence program.*

*As a condition, limitation, and qualification of the funds appropriated in this section, and notwithstanding the allocation specified for phase III under section 294A.25, subsection 6, from the moneys appropriated under this section and available for expenditure for phase III, the department shall, subject to the review of the chairpersons and ranking members of the education committees of the general assembly, expend \$250,000 to provide demonstration projects in comprehensive school transformation in no more than ten public school districts. The objective of the projects shall be to demonstrate how public schools can be transformed from corporate to collegial learning environments for teachers, students, and administrators for the purpose of maximizing student learning and to diffuse information about the process of transformation to neighboring schools. The projects shall also demonstrate how phase III funds can be used to promote school transformation by providing focus to phase III efforts in such areas as technology, individualization of instruction, and decentralization of decision making. However, funds allocated to districts under this section shall not be used to supplant current phase III expenditures. Districts participating in a project may use phase III funds to supplement the purposes and activities of the project in the manner provided under section 294A.14. Districts participating in a project may also pool funds to provide conferences and to contract with consultants and facilitators to provide services to support the goals of the project. Projects shall use the school building as the basic administrative and clinical unit for demonstration. The department may expend up to \$10,000 for purposes of developing guidelines and administering the selection, approval, and evaluation process for proposed projects. In developing a selection process for demonstration projects, the department of education shall establish an 11-member selection committee, which shall include, but is not limited to, licensed practitioners and ex officio nonvoting members of the general assembly. A majority of the members of the committee shall consist of licensed teachers and principals. The committee shall select projects which give promise of accomplishing comprehensive school transformation at the building level during the time that the project is in place. Each project shall contain an evaluation component, which provides for self-evaluation by participating districts and evaluation by the department of education. The selection committee shall establish criteria for ascertaining a particular district's readiness for comprehensive change and give preference in the project selection process to districts which meet the readiness criteria. Each participating district shall, at the conclusion of a project, submit a copy of the district's self-evaluation in a report to the department of education. The department shall compile the reports, along with the department's evaluations of each of the projects, and submit the results in a report to the general assembly by March 1, 1994.\**

\*Item veto; see message at end of the Act

Sec. 207. There is appropriated from the general fund of the state to the department of education for the fiscal year beginning July 1, 1992, and ending June 30, 1993, the following amounts, or so much thereof as is necessary, to be used for the purposes designated:

For expenditures incurred by school districts during the previous fiscal year for vocational education aid to secondary schools:

..... \$ 3,666,360

Funds appropriated by this section shall be used for expenditures made by school districts to meet the standards set in sections 256.11, 258.4, and 280A.23 as a result of the enactment of 1989 Iowa Acts, chapter 278. Funds shall be used as reimbursement for vocational education expenditures made by secondary schools in the manner provided by the department of education for implementation of the standards set in 1989 Iowa Acts, chapter 278. The department shall inform school districts by July 1, 1991, of the criteria for reimbursement with funds appropriated under this section.

COLLEGE STUDENT AID COMMISSION

Sec. 208. There is appropriated from the general fund of the state to the college student aid commission for the fiscal year beginning July 1, 1991, and ending June 30, 1992, the following amounts, or so much thereof as may be necessary, to be used for the purposes designated:

1. GENERAL ADMINISTRATION

For salaries, support, maintenance, miscellaneous purposes, and for not more than the following full-time equivalent positions:

..... \$ 346,000  
 ..... FTEs 8.05

2. UNIVERSITY OF OSTEOPATHIC MEDICINE AND HEALTH SCIENCES

a. For grants to juniors and seniors and for forgivable loans to freshmen and sophomores, who are Iowa students attending the university of osteopathic medicine and health sciences, under the grant program pursuant to section 261.18 and the forgivable loan program pursuant to section 261.19A:

..... \$ 400,000

b. For the university of osteopathic medicine and health sciences for the admission and education of Iowa students in each of the 4 years of classes at the university of osteopathic medicine and health sciences pursuant to section 261.19:

..... \$ 430,000

3. STUDENT AID PROGRAMS

For payments to students for student aid programs:

..... \$ 1,866,112

As a condition, limitation, and qualification of the funds appropriated in this subsection, \$1,474,062 shall be expended for an Iowa grant program, with funds to be allocated to institutions pursuant to section 261.93A.

4. NATIONAL GUARD LOAN REPAYMENT

For payments to students for the national guard loan repayment program in section 261.49:

..... \$ 225,000

Sec. 209. There is appropriated from the loan reserve account to the college student aid commission for the fiscal year beginning July 1, 1991, and ending June 30, 1992, the following amount, or so much thereof as may be necessary, to be used for the purposes designated:

For operating costs of the Stafford loan program including salaries, support, maintenance, miscellaneous purposes, and for not more than the following full-time equivalent positions:

..... \$ 3,671,016  
 ..... FTEs 36.52

STATE BOARD OF REGENTS

Sec. 210. There is appropriated from the general fund of the state to the state board of regents for the fiscal year beginning July 1, 1991, and ending June 30, 1992, the following amounts, or so much thereof as may be necessary, to be used for the purposes designated:

### 1. OFFICE OF STATE BOARD OF REGENTS

a. For salaries, support, maintenance, miscellaneous purposes, and for not more than the following full-time equivalent positions:

.....	\$	1,111,820
.....	FTEs	18.08

*\*As a condition, limitation, and qualification of the moneys appropriated in this paragraph, the state board of regents shall not use reimbursements from the institutions under the control of the state board of regents for funding the office of the state board of regents.*

*As a condition, limitation, and qualification of the funds appropriated in this paragraph, the state board of regents shall permit KUNI to broadcast from the greater Des Moines area if KUNI acquires a transmitter or translator at no cost to the university of northern Iowa or the state for the purpose of simulcasting KUNI's programming, receives an assigned frequency, and obtains necessary federal communication commission (FCC) licensing.\**

b. For allocation by the state board of regents to the state university of Iowa, the Iowa state university of science and technology, and the university of northern Iowa to reimburse the institutions for deficiencies in their operating funds resulting from the pledging of tuitions, student fees and charges, and institutional income to finance the cost of providing academic and administrative buildings and facilities and utility services at the institutions:

.....	\$	19,231,162
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c. For funds to be allocated to the southwest Iowa graduate studies center:

.....	\$	37,000
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d. For funds to be allocated to the siouxland interstate metropolitan planning council for the tristate graduate center under section 262.9, subsection 21:

.....	\$	71,000
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e. For funds to be allocated to the quad-cities graduate studies center:

.....	\$	150,000
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### 2. STATE UNIVERSITY OF IOWA

a. General university, including lakeside laboratory

For salaries, support, maintenance, equipment, miscellaneous purposes, and for not more than the following full-time equivalent positions:

.....	\$	179,503,448
.....	FTEs	4,287.37

To the extent the appropriation made in this paragraph is a reduction in the total amount budgeted for the fiscal year beginning July 1, 1991, and ending June 30, 1992, and the state university of Iowa determines the amount is insufficient to fund all of the university's budgetary units, consideration shall be given to adjustments reducing budgetary units in the following order of priority:

- (1) University administrative moneys.
- (2) Equipment and deferred maintenance.
- (3) Short-term furloughs of administrative personnel.
- (4) Short-term furloughs of other personnel.
- (5) Other operating budget expenditures.
- (6) Force reduction.

As a condition, limitation, and qualification of the funds appropriated in this paragraph, if the state university of Iowa receives total funds in excess of the amount projected to be received by the university from federal support, interest, tuition fees, reimbursement for indirect costs, sales and service, and income sources other than state appropriations, the university shall report the amount received, which is in excess of the amount projected, to the department of management and the legislative fiscal bureau by August 1, 1991.

As a condition, limitation, and qualification of moneys appropriated in this paragraph, from moneys available to the state university of Iowa, \$50,000 shall be awarded to faculty members and teaching assistants who have been recognized for exceptional teaching. An exceptional teaching recognition award is for a one-year period and is in addition to the faculty member's or teaching assistant's salary. Not later than December 15, 1991, the state board of regents

\*Item veto; see message at end of the Act

shall report the names of recipients of teaching excellence awards, and the amounts of the awards granted, to the joint education appropriations subcommittee and to the legislative fiscal bureau.

It is the intent of the general assembly to provide sufficient funding necessary to ensure the university of Iowa receives federal matching funds for the university of Iowa driving simulation center if funds from federal and private sources are available for expenditure by the center.

b. Child care and sick child care program

For salaries for child care center directors and sick child care:

..... \$ 60,000

c. Substance abuse consortium

For funds to be allocated to the Iowa consortium for substance abuse research and evaluation:

..... \$ 60,000

d. University hospitals

For salaries, support, maintenance, equipment, miscellaneous purposes, and for not more than the following full-time equivalent positions for medical and surgical treatment of indigent patients as provided in chapter 255:

..... \$ 28,861,586

..... FTEs 5,319.83

As a condition, limitation, and qualification of the funds appropriated in this paragraph, the university of Iowa hospitals and clinics shall conduct a study to develop recommendations for providing a continuum of statewide geriatric care, from acute hospital care to long-term institutional care, as well as community-based care that meets the unique medical, emotional, economic, and social needs of the geriatric population in Iowa. The study shall include all of the following:

- (1) Identification of the statewide institutional and community resources necessary to meet the unique needs of the geriatric patient population in Iowa.
- (2) Identification of case management services required to coordinate the geriatric patient's movement from one level of care to the next in responding to the needs of geriatric patients.
- (3) Identification of the necessary components of a statewide interdisciplinary geriatric evaluation program, including development of a model for a facility or program, to be established at the university of Iowa hospitals and clinics to address the medical, emotional, economic, and social care needs of geriatric patients referred to the university of Iowa hospitals and clinics.
- (4) Development of recommendations for medical residency training in geriatrics, including mechanisms to ensure interdisciplinary training which is responsive to the continuum of geriatric patient needs.
- (5) Identification of geriatric care program components that exist within the state and those that should be added, including estimates of the costs of implementing the expanded program identified in the study.

Not later than February 15, 1992, the university of Iowa hospitals and clinics shall submit a report detailing its study findings and recommendations to the general assembly.

e. Psychiatric hospital

For salaries, support, maintenance, equipment, miscellaneous purposes, and for not more than the following full-time equivalent positions and for the care, treatment, and maintenance of committed and voluntary public patients:

..... \$ 6,912,441

..... FTEs 284.57

f. Hospital-school

For salaries, support, maintenance, miscellaneous purposes, and for not more than the following full-time equivalent positions:

..... \$ 5,477,339

..... FTEs 184.44

g. Oakdale campus

For salaries, support, maintenance, miscellaneous purposes, and for not more than the following full-time equivalent positions:

.....	\$	2,870,775
.....	FTEs	67.55

h. State hygienic laboratory

For salaries, support, maintenance, miscellaneous purposes, and for not more than the following full-time equivalent positions:

.....	\$	3,036,941
.....	FTEs	106.25

i. Family practice program

For allocation by the dean of the college of medicine, with approval of the advisory board, to qualified participants, to carry out chapter 148D for the family practice program, including salaries and support, and for not more than the following full-time equivalent positions:

.....	\$	1,825,278
.....	FTEs	177.27

j. Child health care services

For specialized child health care services, including childhood cancer diagnostic and treatment network programs; rural comprehensive care for hemophilia patients; and Iowa high-risk infant follow-up program, including salaries and support, and for not more than the following full-time equivalent positions:

.....	\$	437,298
.....	FTEs	12.51

k. Agricultural health and safety programs

For agricultural health and safety programs:

.....	\$	246,093
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l. Statewide tumor registry

For the statewide tumor registry and for not more than the following full-time equivalent positions:

.....	\$	187,691
.....	FTEs	5.05

m. Center for biocatalysis

For the center for biocatalysis:

.....	\$	300,000
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n. As a condition, limitation, and qualification of the appropriation made in paragraph "d", the total quota allocated to the counties for indigent patients for the fiscal year commencing July 1, 1991, shall not be lower than the total quota allocated to the counties for the fiscal year commencing July 1, 1990. The total quota shall be allocated among the counties on the basis of the 1990 census pursuant to section 255.16.

o. As a condition, limitation, and qualification of the appropriation made in paragraph "d", funds appropriated in that paragraph shall not be used to perform abortions except medically necessary abortions, and shall not be used to operate the early termination of pregnancy clinic except for the performance of medically necessary abortions. For the purpose of this paragraph, an abortion is the purposeful interruption of pregnancy with the intention other than to produce a live-born infant or to remove a dead fetus, and a medically necessary abortion is one performed under one of the following conditions:

(1) The attending physician certifies that continuing the pregnancy would endanger the life of the pregnant woman.

(2) The attending physician certifies that the fetus is physically deformed, mentally deficient, or afflicted with a congenital illness.

(3) The pregnancy is the result of a rape which is reported within 45 days of the incident to a law enforcement agency or public or private health agency which may include a family physician.

(4) The pregnancy is the result of incest which is reported within 150 days of the incident to a law enforcement agency or public or private health agency which may include a family physician.

(5) The abortion is a spontaneous abortion, commonly known as a miscarriage, wherein not all of the products of conception are expelled.

3. IOWA STATE UNIVERSITY OF SCIENCE AND TECHNOLOGY

a. General university

For salaries, support, maintenance, equipment, miscellaneous purposes, and for not more than the following full-time equivalent positions:

.....	\$	146,003,742
.....	FTEs	3,737.83

To the extent the appropriation made in this paragraph is a reduction in the total amount budgeted for the fiscal year beginning July 1, 1991, and ending June 30, 1992, and the Iowa state university of science and technology determines the amount is insufficient to fund all of the university's budgetary units, consideration shall be given to adjustments reducing budgetary units in the following order of priority:

- (1) University administrative moneys.
- (2) Equipment and deferred maintenance.
- (3) Short-term furloughs of administrative personnel.
- (4) Short-term furloughs of other personnel.
- (5) Other operating budget expenditures.
- (6) Force reduction.

As a condition, limitation, and qualification of the funds appropriated under this paragraph, if the Iowa state university of science and technology receives total funds in excess of the amount projected to be received by the university from federal support, interest, tuition fees, reimbursement for indirect costs, sales and service, and income sources other than state appropriations, the university shall report the amount received, which is in excess of the amount projected, to the department of management and the legislative fiscal bureau by August 1, 1991.

As a condition, limitation, and qualification of moneys appropriated in this paragraph, from moneys available to Iowa state university of science and technology, \$50,000 shall be awarded to faculty members and teaching assistants who have been recognized for exceptional teaching. An exceptional teaching recognition award is for a one-year period and is in addition to the faculty member or teaching assistant's salary. Not later than December 1, 1991, the state board of regents shall report the names of recipients of teaching excellence awards, and the amounts of the awards granted, to the joint education appropriations subcommittee and to the legislative fiscal bureau.

b. Child care and sick child care program

For subsidized evening child care and sick child care:

.....	\$	60,000
.....	FTEs	2.00

c. Agricultural experiment station

For salaries, support, maintenance, miscellaneous purposes, and for not more than the following full-time equivalent positions:

.....	\$	18,165,260
.....	FTEs	546.92

d. Comprehensive agricultural research

For conducting the comprehensive agricultural research program:

.....	\$	3,948,492
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As a condition, limitation, and qualification of the funds appropriated in this paragraph, Iowa state university of science and technology shall expend from the appropriation in this paragraph during the fiscal year beginning July 1, 1991, and ending June 30, 1992, no less than the amount appropriated for comprehensive agricultural research programs for the fiscal year beginning July 1, 1990, and ending June 30, 1991.

e. Cooperative extension service in agriculture and home economics

For salaries, support, maintenance, miscellaneous purposes, and for not more than the following full-time equivalent positions:

.....	\$	17,117,008
.....	FTEs	475.94

As a condition, limitation, and qualification of the funds appropriated in this paragraph, Iowa state university of science and technology shall expend from the appropriation in this paragraph during the fiscal year beginning July 1, 1991, and ending June 30, 1992, no less than the amount appropriated for the cooperative extension service in agriculture and home economics for the fiscal year beginning July 1, 1990, and ending June 30, 1991.

As a condition, limitation, and qualification of the funds appropriated in this paragraph, \$25,000 shall be expended for a child farm safety program.

f. Fire service education

For salaries and support and for not more than the following full-time equivalent positions:

.....	\$	410,836
.....	FTEs	11.00

g. Leopold center

For agricultural research grants at Iowa state university under section 266.39B:

.....	\$	592,224
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h. Institute for physical research and technology

For the institute for physical research and technology:

.....	\$	300,000
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4. UNIVERSITY OF NORTHERN IOWA

a. For salaries, support, maintenance, equipment, miscellaneous purposes, and for not more than the following full-time equivalent positions:

.....	\$	60,933,927
.....	FTEs	1,411.68

To the extent the appropriation made in this paragraph is a reduction in the total amount budgeted for the fiscal year beginning July 1, 1991, and ending June 30, 1992, and the university of northern Iowa determines the amount is insufficient to fund all of the university's budgetary units, consideration shall be given to adjustments reducing budgetary units in the following order of priority:

- (1) University administrative moneys.
- (2) Equipment and deferred maintenance.
- (3) Short-term furloughs of administrative personnel.
- (4) Short-term furloughs of other personnel.
- (5) Other operating budget expenditures.
- (6) Force reduction.

As a condition, limitation, and qualification of the funds appropriated under this paragraph, if the university of northern Iowa receives total funds in excess of the amount projected to be received by the university from federal support, interest, tuition fees, reimbursement for indirect costs, sales and service, and income sources other than state appropriations, the university shall report the amount received, which is in excess of the amount projected, to the department of management and the legislative fiscal bureau by August 1, 1991.

As a condition, limitation, and qualification of the funds appropriated in paragraph "a", from moneys available for salaries at the university of northern Iowa, the university shall expend \$25,000 for teaching excellence awards to teaching faculty members and teaching assistants. Teaching excellence awards shall be granted to faculty members and teaching assistants for excellence in the quality of classroom instruction. Awards may either be built into a faculty member's or teaching assistant's base salary or given as a one-time award and shall not be in conflict with a collective bargaining agreement between an employee organization and the university. Not later than December 1, 1991, the state board of regents shall report the names of the recipients of teaching excellence awards, and the amounts of the awards granted to the joint education appropriations subcommittee of the general assembly, and to the legislative fiscal bureau.

b. Child care

For staff positions and building structure modifications to meet state child care facility standards:

.....	\$	60,000
.....	FTEs	1.50

5. STATE SCHOOL FOR THE DEAF

For salaries, support, maintenance, miscellaneous purposes, and for not more than the following full-time equivalent positions:

.....	\$	6,099,185
.....	FTEs	131.53

6. IOWA BRAILLE AND SIGHT SAVING SCHOOL

For salaries, support, maintenance, miscellaneous purposes, and for not more than the following full-time equivalent positions:

.....	\$	3,383,500
.....	FTEs	92.45

7. TUITION AND TRANSPORTATION COST

For payment to local school boards for the tuition and transportation costs of students residing in the Iowa braille and sight saving school and the state school for the deaf pursuant to section 262.43 and for payment of certain clothing and transportation costs for students at these schools pursuant to section 270.5:

.....	\$	7,500
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Sec. 211. Reallocations of sums received under section 210, subsections 2, 3, 4, 5, and 6, of this division, including sums received for salaries, shall be reported on a quarterly basis to the co-chairpersons and ranking members of both the legislative fiscal committee and the joint education appropriations subcommittee.

Sec. 212. STATE BOARD OF REGENTS — SALARIES AND BENEFITS — FACULTY AND PROFESSIONAL AND SCIENTIFIC STAFF.

\*1. The state board of regents shall use moneys from funds appropriated to fund the annual pay adjustments, expense reimbursements, and related benefits for the collective bargaining agreement negotiated pursuant to chapter 20 for employees in the university of northern Iowa faculty bargaining unit.

2. The funds allocated to the state board of regents for the purpose of providing increases for employees not covered by a collective bargaining agreement shall be used as follows:

a. The amount necessary to fund for the fiscal year beginning July 1, 1991, and ending June 30, 1992, an average base salary increase of 2 percent for the fiscal year beginning July 1, 1991, of the base salaries of professional and scientific staff members, except board office employees paid during the preceding fiscal year, to be allocated to professional and scientific staff members at the discretion of the state board of regents.\* The staff members shall not receive a merit increase or the equivalent of a merit increase.

\*b. For faculty members who are not included in the collective bargaining agreement made final under chapter 20, for the fiscal year beginning July 1, 1991, and ending June 30, 1992, an average base salary increase for the fiscal year beginning July 1, 1991, to be allocated at the discretion of the state board of regents.\*

\*Sec. 213. As a condition, limitation, and qualification of the appropriations made to the state board of regents and regents' institutions under this division, for the fiscal years beginning July 1, 1991, and July 1, 1992, the state board of regents shall use notes, bonds, or other evidences of indebtedness issued under section 262.48 to finance projects that will result in energy cost savings in an amount that will cause the state board to recover the cost of the projects within an average of 6 years.\*

DEPARTMENT OF CULTURAL AFFAIRS

Sec. 214. There is appropriated from the general fund of the state to the department of cultural affairs for the fiscal year beginning July 1, 1991, and ending June 30, 1992, the following amounts, or so much thereof as is necessary, to be used for the purposes designated:

1. ARTS DIVISION

For salaries, support, maintenance, miscellaneous purposes, including funds to match federal grants, and for not more than the following full-time equivalent positions:

\*Item veto; see message at end of the Act

.....	\$	1,167,000
.....	FTEs	13.00

As a condition, limitation, and qualification of the funds appropriated in this subsection, the department may use funds appropriated in this subsection to provide funds to areawide arts and cultural service organizations which meet the requirements of Senate File 268,\* if Senate File 268 is enacted by the 1991 Session of the Seventy-fourth General Assembly.

**2. HISTORICAL DIVISION**

For salaries, support, maintenance, miscellaneous purposes, and for not more than the following full-time equivalent positions:

.....	\$	2,653,000
.....	FTEs	76.00

*\*\*As a condition, limitation, and qualification of the funds appropriated in this subsection, the division shall allocate \$10,000 to the Iowa historical society for the operating and maintenance costs of the Plum Grove residence of former Governor Lucas.\*\**

**3. TERRACE HILL COMMISSION**

For salaries, support, maintenance, miscellaneous purposes, for the operation of Terrace Hill and for not more than the following full-time equivalent positions:

.....	\$	175,000
.....	FTEs	5.75

As a condition, limitation, and qualification of the funds appropriated under this subsection, the Terrace Hill commission shall explore alternative funding sources for the funding of the salaries, support, maintenance, and miscellaneous purposes, including the operation of Terrace Hill, with the goal of obtaining full funding through sources other than state appropriations in the future.

**4. LIBRARY DIVISION**

For salaries, support, maintenance, miscellaneous purposes, and for not more than the following full-time equivalent positions:

.....	\$	2,179,000
.....	FTEs	42.00

**5. REGIONAL LIBRARY SYSTEM**

For state aid:

.....	\$	1,607,000
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**6. ADMINISTRATION DIVISION**

For salaries, support, maintenance, miscellaneous purposes, and for not more than the following full-time equivalent positions:

.....	\$	427,000
.....	FTEs	10.00

**7. COMMUNITY CULTURAL GRANTS**

For planning and programming for the community cultural grants program established under section 303.89:

.....	\$	784,000
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From the amount appropriated in this subsection, consideration shall be given to the awarding of grant moneys to be used for commemorative art or sculpture work depicting an aspect of the armed services of the United States in recent wars or action through the Persian Gulf conflict and to be located in city or county owned parks or premises of memorial buildings as provided in chapter 37 of the Code. Separate grants shall not exceed \$40,000 for each grant under guidelines defined in section 303.3 or 303.89.

**8. TOWN SQUARE PROJECT**

For the Iowa town square project:

.....	\$	66,000
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**\*\*9. DANISH HERITAGE MUSEUM**

*For the Danish heritage museum located in Elk Horn, Iowa:*

.....	\$	30,000**
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\*Chapter 157 herein

\*\*Item veto; see message at end of the Act

10. PUBLIC BROADCASTING DIVISION

For salaries, support, maintenance, capital expenditures, miscellaneous purposes, and for not more than the following full-time equivalent positions:

.....	\$	6,365,000
.....	FTEs	103.00

Sec. 215. Notwithstanding section 8.33, funds appropriated in 1990 Iowa Acts, chapter 1272, section 14, subsection 1, paragraph "b", remaining unencumbered or unobligated on June 30, 1991, shall not revert to the general fund of the state but shall be available for expenditure for the purposes listed in section 210, subsection 1, paragraph "b", of this division during the fiscal year beginning July 1, 1991, and ending June 30, 1992.

Sec. 216. Notwithstanding sections 258.16 and 282.7 effective July 1, 1992, community colleges, local education agencies, and area education agencies may establish by mutual agreement area vocational consortia to assume and exercise the duties and responsibilities established for regional vocational education planning boards under those sections.

Sec. 217. Notwithstanding any credit hour prerequisite requirements contained in sections 261.9, 261.17, 261.18, and 261.19A, sections 261.44 through 261.89, and sections 261.92 through 261.105, or in any other Iowa student financial aid program administered by the college student aid commission, a person who is a "displaced worker" as defined under section 261.5 shall be eligible to receive funds under any Iowa student financial aid program administered by the commission, if the person meets any applicable prerequisite financial need criteria for the financial aid program.

Sec. 218. Section 261.25, subsections 1, 2, and 3, Code 1991, as amended by 1991 Iowa Acts, House File 173,\* section 908, are amended to read as follows:

1. There is appropriated from the general fund of the state to the commission for each fiscal year the sum of thirty-two million ~~six~~ four hundred ~~eight~~ eighty thousand seven hundred ~~ninety-five~~ dollars for tuition grants.
2. There is appropriated from the general fund of the state to the commission for each fiscal year the sum of eight hundred thirteen thousand ~~eight~~ hundred forty dollars for scholarships.
3. There is appropriated from the general fund of the state to the commission for each fiscal year the sum of one million three hundred fifteen thousand ~~six~~ hundred forty-seven dollars for vocational-technical tuition grants.

Sec. 219. Section 261.85, unnumbered paragraph 1, Code 1991, as amended by 1991 Iowa Acts, House File 173,\* section 909, is amended to read as follows:

There is appropriated from the general fund of the state to the commission for each fiscal year the sum of three million eighty-five thousand ~~six~~ hundred eighty-four dollars for the work-study program.

Sec. 220. Notwithstanding the allocation of phase III moneys under sections 294A.14 and 294A.25, for the fiscal year beginning July 1, 1991, prior to the allocation to school districts and area education agencies, \$125,000 of the moneys allocated for phase III shall be retained by the department of education to continue to contract with the regional educational laboratory for this state to establish and monitor an independent evaluation of the operation of phase III of the educational excellence program. The results of the evaluation shall be reported to the department of education and to the general assembly by January 1, 1992.

Sec. 221. Notwithstanding sections 302.1 and 302.1A, for the fiscal year beginning July 1, 1991, and ending June 30, 1992, the portion of the interest earned on the permanent school fund that is not transferred to the credit of the first in the nation in education foundation and not transferred to the credit of the national center for gifted and talented education shall be credited as a payment by the historical division of the department of cultural affairs of the principal and interest due on moneys loaned to the historical division under section 303.18.

Sec. 222. Section 11.6, subsection 1, unnumbered paragraph 1, Code 1991, is amended to read as follows:

\*Chapter 260 herein

The financial condition and transactions of all cities and city offices, counties, county hospitals organized under chapters 347 and 347A, memorial hospitals organized under chapter 37, entities organized under chapter 28E having gross receipts in excess of one hundred thousand dollars in a fiscal year, merged areas, area education agencies, and all school offices in school districts, shall be examined at least once each year, except that cities having a population of seven hundred or more but less than two thousand shall be examined at least once every four years, and cities having a population of less than seven hundred may be examined as otherwise provided in this section. The examination shall cover the fiscal year next preceding the year in which the audit is conducted. The examination of school offices shall include an audit of activity all school funds, the certified annual financial report, and the certified enrollment as provided in section 257.11. Examinations of community colleges shall include an audit of eligible and noneligible contact hours as defined in section 286A.2. Eligible and noneligible contact hours and the certified enrollment shall be certified to the department of management.

Sec. 223. Section 73.17, Code 1991, is amended by adding the following new unnumbered paragraph:

NEW UNNUMBERED PARAGRAPH. A community college or area education agency shall, on a quarterly basis, and a school district shall, on an annual basis, review the community college's, area education agency's, or school district's anticipated purchasing requirements. A community college, area education agency, or school district shall notify the department of education, which shall report to the department of economic development, of their anticipated purchases and recommended procurements with unit quantities and total costs for procurement contracts designated to satisfy the targeted small business procurement goal not later than August 15 of each fiscal year and quarterly thereafter, except that school districts shall report annually.

Sec. 224. Section 73.18, Code 1991, is amended to read as follows:

**73.18 NOTICE OF SOLICITATION FOR BIDS — IDENTIFICATION OF TARGETED SMALL BUSINESSES.**

The director of each agency or department releasing a solicitation for bids or request for proposal under the targeted small business procurement goal program shall notify the director of the department of economic development prior to or upon release of the solicitation. A community college, area education agency, or school district shall notify the department of education which shall notify the department of economic development prior to or upon release of the release of the solicitation. The director of the department of economic development shall notify the soliciting agency or department, or community college, area education agency, or school district, of any targeted small businesses which have been certified pursuant to section 10A.104, subsection 8, and which may be qualified to bid.

Sec. 225. Section 73.19, Code 1991, is amended to read as follows:

**73.19 NEGOTIATED PRICE OR BID CONTRACT.**

In awarding a contract under the targeted small business procurement goal program, a director of an agency or department, or community college, area education agency, or school district, having purchasing authority may use either a negotiated price or bid contract procedure. A director of an agency or department, or community college, area education agency, or school district, using a negotiated contract shall consider any targeted small business engaged in that business. The director of the department of economic development or the director of the department of management may assist in the negotiation of a contract price under this section. Surety bonds guaranteed by the United States small business administration are acceptable security for a construction award under this section.

Sec. 226. Section 255.1, Code 1991, is amended by adding the following new unnumbered paragraph:

NEW UNNUMBERED PARAGRAPH. The county general relief director shall ascertain from the local office of human services if an applicant for the indigent patient program would qualify for medical assistance or the medically needy program under chapter 249A without the spend-down provision required pursuant to section 249A.3, subsection 2, paragraph "g". If

the applicant qualifies, the patient shall be certified for medical assistance and shall not be counted under chapter 255.

Sec. 227. Section 255.26, unnumbered paragraph 3, Code 1991, is amended to read as follows:

The state auditor shall certify the total cost of commitment, ~~transportation~~ and caring for each indigent patient under the terms of this statute to the county auditor of such patient's legal residence, and such certificate shall be preserved by the county auditor and shall be a debt due from the patient or the persons legally responsible for the patient's care, maintenance or support; and whenever in the judgment of the board of supervisors the same or any part thereof shall be collectible, the said board may in its own name collect the same and is hereby authorized to institute suits for such purpose; and after deducting the county's share of such cost shall cause the balance to be paid into the state treasury to reimburse the university hospital fund. Transportation shall be provided at no charge to a patient who is certified for medical assistance under chapter 249A, and shall be reimbursed from the university hospital fund.

Sec. 228. Section 257.37, subsection 2, as enacted by 1991 Iowa Acts, Senate File 141,\* section 2, is amended by striking the subsection and inserting in lieu thereof the following:

2. Thirty percent of the budget of an area for media services shall be expended for media resource material which shall only be used for the purchase or replacement of material required in section 273.6, subsection 1. Funds shall be paid to area education agencies as provided in section 257.35.

*\*\*Sec. 229. Section 261.19, unnumbered paragraph 2, Code 1991, is amended to read as follows:*

*The college student aid commission shall determine a subvention amount per resident student by dividing the funds appropriated for this section by a number equal to the total of twenty-two percent of the total students enrolled. If fewer than twenty-two percent of the total number of students enrolled are Iowa residents, the college student aid commission shall deduct from the funds appropriated subvention amount for total Iowa students enrolled an amount equal to the product of two times the product of the subvention amount per resident student multiplied by the number of students required to equal twenty-two percent of the total students enrolled.\*\**

Sec. 230. Section 261.19A, unnumbered paragraph 2, Code 1991, is amended to read as follows:

An eligible student is eligible for loan forgiveness in the amount of three thousand five hundred dollars per year of practice in the state of Iowa for up to a maximum of four years. If a student fails to complete a year of practice in the state, as practice is defined by the college student aid commission, the loan amount for that year shall not be forgiven. Forgivable loans to eligible students shall not become due, for repayment purposes, until after the student has completed the student's residency.

*\*\*Sec. 231. Section 261.38, subsection 5, Code 1991, is amended to read as follows:*

*5. The treasurer of state shall invest any funds, including those in the loan reserve account, and the interest income earned shall be credited back to the loan reserve account. The treasurer may invest up to forty percent of the funds in the loan reserve account in tax-exempt investments issued by an agency of the state of Iowa. If any of the tax-exempt investments are for purposes of financing the construction or improvement of state facilities, the executive council, established under chapter 19, shall review and approve the proposed construction or improvement prior to the investment of loan reserve account funds in the tax-exempt investments.\*\**

Sec. 232. Section 261.50, subsection 3, Code 1991, is amended to read as follows:

3. Agrees to practice in an eligible community of fewer than five thousand population for a minimum period of four consecutive years or is practicing in a federally approved community health center or health manpower shortage area.

\*Chapter 6 herein

\*\*Item veto: see message at end of the Act

Sec. 233. **NEW SECTION. 261.93A APPROPRIATION – PERCENTAGES.**

Of the funds appropriated to the college student aid commission to be allocated for the Iowa grant program for each fiscal year, thirty-seven and six-tenths percent shall be reserved for students attending regents' institutions, twenty-five and nine-tenths percent shall be reserved for students attending community colleges, and thirty-six and five-tenths percent shall be reserved for students attending private colleges and universities. Funds appropriated for the Iowa grant program shall be used to supplement, not supplant, funds appropriated for other existing programs at the eligible institutions.

*\*Sec. 234. Section 262.9, Code 1991, is amended by adding the following new subsection:*  
**NEW SUBSECTION. 27. Develop and adopt a policy that shall govern any future asset sale of the Iowa state university of science and technology's television station, WOITV. The policy shall provide for the sale of the station only if anticipated revenues from the sale exceed the benefits of continued operation and the cost for the university to purchase or acquire comparable services to those that are being provided to the university by the station at the time of any sale. The policy shall further provide that the revenues received from the sale shall be placed in an endowment to be held and managed by the university. The proceeds from the endowment shall be used only for the specifically stated missions of the university.**

a. "Station" shall be defined to include the license, any share of a transmission facility, any programming contracts, any booked sales revenues, and the network affiliation agreement.

b. "Comparable services" shall be defined to include, but not be limited to, use of modern communications equipment by faculty, staff, and students; access to trained communications specialists; availability to internships by and employment opportunities for students; and provision for antenna location, transmission line placement, and transmitter space for the university's radio stations.\*

Sec. 235. **NEW SECTION. 262.9A PROHIBITION ON CONTROLLED SUBSTANCES.**

The state board of regents shall adopt a policy that prohibits unlawful possession, use, or distribution of controlled substances by students and employees on property owned or leased by an institution or in conjunction with activities sponsored by an institution governed by the board. Each institution shall provide information about the policy to all students and employees. The policy shall include a clear statement of sanctions for violation of the policy and information about available drug or alcohol counseling and rehabilitation programs. In carrying out this policy, the institutions shall provide substance abuse prevention programs for students and employees.

Sec. 236. Section 262.43, Code 1991, is amended to read as follows:

**262.43 STUDENTS RESIDING ON STATE-OWNED LAND.**

The state board of regents shall pay to the local school boards the tuition payments and transportation costs, as otherwise authorized by statutes for the elementary or high school education of students residing on land owned by the state and under the control of the state board of regents. Such payments for the three institutions of higher learning, the state University of Iowa, the Iowa State University of science and technology and the University of Northern Iowa, shall be made from the funds of the respective institutions other than state appropriations, and for the ~~three two~~ noncollegiate institutions, the Iowa braille and sight saving school, and the state school for the deaf and the state sanatorium, there is hereby appropriated out of any funds in the state treasury not otherwise appropriated a sum sufficient to make such payments the payments and costs shall be paid from moneys appropriated to the state board of regents.

Sec. 237. **NEW SECTION. 263A.14 INDIGENT PATIENT PROGRAM REPORT.**

Funds shall not be allocated to the university hospital fund until the superintendent of the university of Iowa hospitals and clinics has filed with the department of revenue and finance and the legislative fiscal bureau a quarterly report containing the account required in section 255.24. The report shall include information required in section 255.24 for patients by the type of service provided.

\*Item veto; see message at end of the Act

Sec. 238. NEW SECTION. 268.5 IOWA ACADEMY OF SCIENCE APPROPRIATION LIMITATIONS.

The university shall use no more than twenty percent of the funds allocated to the university for the Iowa academy of science for administrative purposes for the Iowa academy of science or for publication of the Iowa academy of science journal. The university shall expend the remainder of the moneys appropriated for research projects and studies awarded by the Iowa academy of science. The Iowa academy of science shall permit all grant recipients to publish the results of the recipients' research projects and studies in the Iowa academy of science journal at no cost to the grant recipient.

Sec. 239. Section 279.51, subsection 1, paragraph d, Code 1991, is amended to read as follows:

d. For the fiscal year beginning July 1, 1990, three million dollars, and for each fiscal year thereafter, four million dollars of the funds appropriated shall be allocated as grants to school districts that have elementary schools that demonstrate the greatest need for programs for at-risk students with preference given to innovative programs for the early elementary school years. The grant allocations made in this paragraph may be renewed for additional periods of time. Of the amount allocated under this paragraph for each fiscal year, seventy-five thousand dollars shall be allocated to school districts which have an actual student population of ten thousand or less and have an actual non-English speaking student population which represents greater than five percent of the total actual student population for grants to elementary schools in those districts.

Sec. 240. Section 279.51, subsection 1, paragraph f, Code 1991, is amended by adding the following new unnumbered paragraph:

NEW UNNUMBERED PARAGRAPH. In succeeding fiscal years, notwithstanding section 256A.3, subsection 6, of the amount appropriated for a fiscal year, less the amount allocated under paragraph "a", three and thirty-three hundredths percent may be used for administrative costs. However, if the amount appropriated for the fiscal year, less the amount allocated under paragraph "a", times three and thirty-three hundredths percent is greater than the amount received for use for administrative costs during the fiscal year beginning July 1, 1990, then the amount to be used for administrative costs shall be reduced to equal the amount received during the fiscal year beginning July 1, 1990.

Sec. 241. Section 280A.34, Code 1991, is amended to read as follows:

280A.34 CERTAIN USES OF FUNDS PROHIBITED.

Funds obtained pursuant to section 280A.17; subsections 3, 4, and 5 of section 280A.18; section 280A.19; and section 280A.22 shall not be used for the construction or maintenance of athletic buildings or grounds but may be used for a project under section 280A.56.

Sec. 242. NEW SECTION. 280A.40 PROHIBITION ON CONTROLLED SUBSTANCES.

Each merged area school shall adopt a policy that prohibits unlawful possession, use, or distribution of controlled substances by students and employees on property owned or leased by the merged area school or in conjunction with activities sponsored by a merged area school. Each merged area school shall provide information about the policy to all students and employees. The policy shall include a clear statement of sanctions for violation of the policy and information about available drug or alcohol counseling and rehabilitation programs. In carrying out this policy, the merged area school shall provide substance abuse prevention programs for students and employees.

Sec. 243. Section 280A.56, subsection 3, Code 1991, is amended to read as follows:

3. "Project" means the acquisition by purchase, lease in accordance with section 280A.38, or construction of buildings for use as student residence halls and dormitories, including dining and other incidental facilities therefor, and additions to such buildings, the reconstruction, completion, equipment, improvement, repair or remodeling of residence halls, dormitories, or additions or incidental facilities, and the acquisition of property of every kind and description, whether real, personal, or mixed, by gift, purchase, lease, condemnation, or otherwise and the improvement of the property.

Sec. 244. Section 280A.56, Code 1991, is amended by adding the following new subsection:  
**NEW SUBSECTION. 4.** "Bonds or notes" means revenue bonds or revenue notes which are payable solely from net rents, profits, and other income derived from the operation of residence halls, dormitories, incidental facilities, and additions.

Sec. 245. Section 280A.58, unnumbered paragraph 1, Code 1991, is amended to read as follows:

To pay all or any part of the cost of carrying out any project at any institution the board is authorized to borrow money and to issue and sell negotiable bonds or notes and to refund and refinance bonds or notes issued for any project or for refunding purposes at a lower rate, the same rate, or a higher rate or rates of interest and from time to time as often as the board shall find it to be advisable and necessary so to do. Bonds or notes issued to refund other bonds or notes issued by the board for residence hall or dormitory purposes at any institution, including dining or other facilities and additions, or issued for refunding purposes, may either be sold in the manner specified for the selling of certificates under section 280B.6 and the proceeds applied to the payment of the obligations being refunded, or the refunding bonds or notes may be exchanged for and in payment and discharge of the obligations being refunded. A finding by the board in the resolution authorizing the issuance of the refunding bonds or notes, that the bonds or notes being refunded were issued for a purpose specified in this division and constitute binding obligations of the board, shall be conclusive and may be relied upon by any holder of any refunding bond or note issued under the provisions of this division. The refunding bonds or notes may be sold or exchanged in installments at different times or an entire issue or series may be sold or exchanged at one time. Any issue or series of refunding bonds or notes may be exchanged in part or sold in parts in installments at different times or at one time. The refunding bonds or notes may be sold or exchanged at any time on, before, or after the maturity of any of the outstanding notes, bonds or other obligations to be refinanced thereby and may be issued for the purpose of refunding a like or greater principal amount of bonds or notes, except that the principal amount of the refunding bonds or notes may exceed the principal amount of the bonds or notes to be refunded to the extent necessary to pay any premium due on the call of the bonds or notes to be refunded or, to fund interest in arrears or about to become due, or to allow for sufficient funding of the escrow account on the bonds to be refunded.

Sec. 246. Section 280A.59, Code 1991, is amended to read as follows:

**280A.59 RATES AND TERMS OF BONDS OR NOTES.**

The bonds or notes may bear a date or dates, may bear interest at such rate or rates, ~~payable semiannually,~~ may mature at such time or times, may be in such form, carry such registration privileges, may be payable at such place or places, may be subject to such terms of redemption prior to maturity with or without premium, if so stated on the face of the bonds, and may contain any terms and covenants as may be provided by the resolution of the board authorizing the issuance of the bonds or notes. In addition to the estimated cost of construction, the cost of the project shall be deemed to include interest upon the bonds or notes during construction and for six months after the estimated completion date, the compensation of a fiscal agent or adviser, any underwriter discount, and engineering, administrative and legal expenses. The bonds or notes shall be executed by the president of the board of trustees and attested by the secretary ~~and the coupons attached to the bonds or notes shall be executed with the original or facsimile signatures of said president and secretary.~~ Any bonds or notes bearing the signatures of officers in office on the date of the signing shall be valid and binding for all purposes, notwithstanding that before delivery of the bonds or notes any or all persons whose signatures appear on the bonds or notes shall have ceased to be officers. Each bond or note shall state upon its face the name of the institution on behalf of which it is issued, that it is payable solely and only from the net rents, profits and income derived from the operation of residence halls or dormitories, including dining and other incidental facilities, at the institution named, and that it does not constitute a charge against the state of Iowa within the meaning or application of any constitutional or statutory limitation or provision. The issuance of

bonds or notes shall be recorded in the office of the treasurer of the institution on behalf of which the bonds or notes are issued, and a certificate by such treasurer to this effect shall be printed on the back of each such bond or note.

Sec. 247. Section 280A.60, Code 1991, is amended to read as follows:

**280A.60 REFUNDING ISSUANCE RESOLUTION.**

Upon the determination by the board to undertake and carry out any project or to refund outstanding bonds or notes, the board shall adopt a resolution generally describing the contemplated project and setting forth the estimated cost, or describing the obligations to be refunded, fixing the amount of bonds or notes to be issued, the maturity or maturities, the interest rate or rates and all details of the project. The resolution shall contain any covenants as may be determined by the board as to the issuance of additional bonds or notes that may be issued payable from the net rents, profits and income of the residence halls or dormitories, the amendment or modification of the resolution authorizing the issuance of any bonds or notes, the manner, terms and conditions and the amount or percentage of assenting bonds or notes necessary to effectuate the amendment or modification, and any other covenants as may be deemed necessary or desirable. In the discretion of the board any bonds or notes issued under the terms of this division may be secured by a trust indenture by and between the board and a corporate trustee, which may be any trust company or bank having the powers of a trust company within or without the boundaries of the state of Iowa; ~~but no such trust indenture shall convey or mortgage the buildings or facilities or any part of the buildings or facilities.~~ The provisions of this division and of any resolution or other proceedings authorizing the issuance of bonds or notes and providing for the establishment and maintenance of adequate rates, fees or rentals and the application of the proceeds thereof shall constitute a contract with the holders of the bonds or notes.

Sec. 248. Section 286A.11, Code 1991, is amended by adding the following new subsection:

**NEW SUBSECTION. 5.** Thirty-eight thousand dollars if the northwest Iowa technical college has filed a request with the department of education for the lease, purchase, or lease-purchase of equipment for the heavy equipment program.

Sec. 249. Section 286A.14A, unnumbered paragraph 1, Code 1991, is amended to read as follows:

The department of education shall provide for the establishment of a community college excellence 2000 account in the office of the treasurer of state for deposit of moneys appropriated to the account for purposes of funding quality instructional centers and program and administrative sharing agreements under sections 280A.45 and 280A.46. ~~There is appropriated from the general fund of the state to the department of education, for the fiscal year beginning July 1, 1991, one million two hundred thousand dollars.~~ There is appropriated from the general fund of the state to the department of education for the fiscal year beginning July 1, 1992, an amount equal to two and five-tenths percent of the total state general aid generated for all community colleges during the budget year under this chapter for deposit in the community college excellence 2000 account. In the next succeeding two fiscal years, the percent multiplier shall be increased in equal increments until the multiplier reaches seven and one-half percent of the total state general aid generated for all community colleges during the budget year.

*\*Sec. 250. Section 294A.14, unnumbered paragraphs 1, 6, and 10, Code 1991, are amended to read as follows:*

*For each fiscal year, the department shall allocate the remainder of the moneys appropriated by the general assembly to the fund for phase III, subject to section 294A.18. If fifty million dollars is allocated for phase III, the payments for an approved plan for a school district shall be equal to the product of a district's certified enrollment and ninety-eight dollars and sixty-three cents, and for an area education agency shall be equal to the product of an area education agency's enrollment served and four dollars and sixty cents. If the moneys*

allocated for phase III are either greater than or less than fifty million dollars, the department of education shall adjust the amount for each student in certified enrollment and each student in enrollment served based upon the amount allocated for phase III. Of the moneys allocated for phase III, five hundred thousand dollars shall be used for supplemental pay plans in districts which provide for additional instructional work assignments relating to college-bound student support programs for minority students.

For school districts, a performance-based pay plan may provide for additional salary for individual teachers, for teachers assigned to a specific discipline, or for all teachers assigned to an attendance center. For area education agencies, a performance-based pay plan may provide for additional salary for individual teachers, for additional salary for all teachers assigned to a specific discipline within an area education agency, or for additional salary for individual teachers assigned to a multidisciplinary team within an area education agency. If the plan provides additional salary for all teachers assigned to an attendance center, specific discipline, or multidisciplinary team, the receipt of additional salary by those teachers shall be determined on the basis of whether that attendance center, specific discipline, or multidisciplinary team meets specific objectives adopted for that attendance center, specific discipline, or multidisciplinary team. For school districts, the objectives may include, but are not limited to, decreasing the dropout rate, increasing the attendance rate, or accelerating the achievement growth of students enrolled in that attendance center through use of learning techniques which may include, but are not limited to, reading instruction using phonics techniques.

For school districts, additional instructional work assignments may include but are not limited to general curriculum planning and development, vertical articulation of curriculum, horizontal curriculum coordination, development of educational measurement practices for the school district, attendance at workshops and other programs for service as cooperating teachers for student teachers, development of plans for assisting beginning teachers during their first year of teaching, attendance at summer staff development programs, development of staff development programs for other teachers to be presented during the school year, participation in college-bound student support programs for minority students, and other plans locally determined in the manner specified in section 294A.15 and approved by the department of education under section 294A.16 that are of equal importance or more appropriately meet the educational needs of the school district.\*

\*Sec. 251. Section 294A.14, Code 1991, is amended by adding the following new unnumbered paragraph:

NEW UNNUMBERED PARAGRAPH. For purposes of this section, college-bound student support programs for minority students shall include one or more of the following:

1. Self-esteem enhancement for minority students.
2. Mentoring for minority students.
3. Methods to provide greater involvement of minority parents in the educational process.
4. Individual or group academic preparedness coaching for minority students.
5. A continuum of academic tutorial services for minority students.
6. Outreach programs which connect minority students with higher education programs.
7. School and business partnerships which provide direct support to minority students.\*

\*Sec. 252. Section 294A.16, unnumbered paragraph 3, Code 1991, is amended to read as follows:

The department of education shall review each plan and its budget and notify the department of management of the names of school districts and area education agencies with approved plans. In approving school district supplemental pay plans which provide for additional instructional work assignments relating to college-bound student support programs for minority students, the department shall give preference to plans which provide for the forming of consortia with local community colleges and community-based organizations.\*

\*Sec. 253. Section 303.3, subsection 3, Code 1991, is amended by striking the subsection and inserting in lieu thereof the following:

\*Item veto; see message at end of the Act

3. Notwithstanding section 8.33, moneys committed to grantees under contract that remain unexpended on June 30 of any fiscal year shall not revert but shall be available for expenditure for purposes of the contract until August 30 of the succeeding fiscal year.\*

Sec. 254. Section 303.94, unnumbered paragraph 1, Code 1991, is amended to read as follows: The state library includes, but is not limited to, a medical library, ~~and~~ a law library, and a patents depository library.

\*Sec. 255. Section 303.94, Code 1991, is amended by adding the following new subsection: **NEW SUBSECTION. 3.** *The patents depository library shall be headed by a patents librarian, appointed by the director, subject to chapter 19A.*

a. *The patents librarian shall do all of the following:*

(1) *Operate the patents depository library which shall always be available for free use by the residents of Iowa under rules adopted by the department.*

(2) *Comply with any federal requirements concerning patent depositories.*

(3) *Assist library users and train staff to assist library users in utilizing the library and the patent backfile.*

(4) *Perform other duties imposed by law or by the rules of the department.*

b. *The patents librarian may do any of the following:*

(1) *Foster public awareness of the library and its services, through advertising, public service announcements, and other means.*

(2) *Receive and expend money for providing programs and services. The librarian may receive, accept, and administer moneys appropriated or granted to the patents depository library, separate from the general library fund, by the federal government or by any other public or private agency.*

(3) *Solicit and accept gifts, contributions, bequests, endowments, and other moneys or library materials. The librarian shall, to the extent possible, use gifts, contributions, bequests, and endowments in accordance with the expressed desires of the person making the gift, contribution, bequest, or endowment. The librarian shall report the gifts, contributions, bequests, endowments, and other moneys received pursuant to this subparagraph to the department, for inclusion in its annual report to the general assembly under section 303.92, subsection 3.*

*Interest earned on moneys accepted under this subparagraph, except funds appropriated to the patents depository library from the general fund of the state, shall be credited to the fund or funds to which the moneys have been deposited, and is available for any or all purposes of the library under this subparagraph. Section 8.33 does not apply to funds credited to the patents depository library under this subparagraph.\**

Sec. 256. Section 286A.19, Code 1991, is repealed.

Sec. 257. Sections 207 and 215 of this division, being deemed of immediate importance, take effect upon enactment.

DIVISION III  
ECONOMIC DEVELOPMENT APPROPRIATIONS

Sec. 301. There is appropriated from the general fund of the state to the department of economic development for the fiscal year beginning July 1, 1991, and ending June 30, 1992, the following amounts, or so much thereof as is necessary, to be used for the purposes designated:

1. ADMINISTRATIVE SERVICES DIVISION

a. General administration

For salaries, support, maintenance, miscellaneous purposes, and for not more than the following full-time equivalent positions:

.....	\$	878,350
.....	FTEs	22.00

b. Rural resource coordination

\*Item veto; see message at end of the Act

For salaries, support, maintenance, miscellaneous purposes, and for not more than the following full-time equivalent positions for rural resource coordination, rural community leadership, and the rural enterprise fund:

.....	\$	740,000
.....	FTEs	2.50

As a condition, limitation, and qualification of the appropriation under this subsection, \$425,000 shall be allocated to the rural enterprise fund, and \$140,000 shall be allocated for rural community leadership.

c. Primary research and computer center

For salaries, support, maintenance, miscellaneous purposes, and for not more than the following full-time equivalent positions:

.....	\$	350,000
.....	FTEs	6.50

d. Film office

For salaries, support, maintenance, miscellaneous purposes, and for not more than the following full-time equivalent positions:

.....	\$	190,000
.....	FTEs	2.00

2. BUSINESS DEVELOPMENT DIVISION

a. Business development operations

For salaries, support, maintenance, miscellaneous purposes, and for not more than the following full-time equivalent positions:

.....	\$	3,000,000
.....	FTEs	14.00

As a condition, limitation, and qualification of the appropriation made by this paragraph, the department shall establish a marketing initiative to assist Iowa companies producing recycling or reclamation equipment or services to expand into national markets.

As a condition, limitation, and qualification of the appropriation made by this paragraph, not more than thirty percent of the funds appropriated may be used for administration. The balance shall be used for marketing advertising.

b. Small business programs

For salaries, support, maintenance, miscellaneous purposes, and for not more than the following full-time equivalent positions for the small business program and the small business advisory council:

.....	\$	235,000
.....	FTEs	4.50

c. Federal procurement office

For salaries, support, maintenance, miscellaneous purposes, and for not more than the following full-time equivalent positions:

.....	\$	100,000
.....	FTEs	3.00

d. Incubators:

.....	\$	80,000
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The department may establish criteria to provide funding beyond the initial three-year start-up period to existing small business and rural incubators.

e. Community economic betterment program

For deposit in the community economic betterment program funds for salaries, support, and for not more than the following full-time equivalent positions:

.....	\$	3,760,000
.....	FTEs	6.00

All grants, loans, and forgivable loans awarded under this paragraph shall be approved by the board. Notwithstanding section 8.33, moneys in this special fund at the end of each fiscal year shall not revert to the general fund but shall remain in the community economic betterment program fund.

f. Microenterprise development revolving fund

For deposit in the microenterprise development revolving fund established pursuant to section 15.240 for salaries, support, and for not more than the following full-time equivalent positions:

.....	\$	720,000
.....	FTEs	4.00

For the fiscal year beginning July 1, 1991, a minimum of \$500,000 shall be allocated to the targeted small business financial assistance program account and a minimum of \$220,000 shall be allocated to the self-employment loan program account. However, any amounts of those two minimum allocations that have not been committed on January 15, 1992, may be reallocated to the other accounts in the microenterprise development revolving fund.

g. Targeted small business program

For the salary, support, maintenance, miscellaneous purposes, and for not more than the following full-time equivalent position:

.....	\$	50,000
.....	FTEs	1.00

3. COMMUNITY AND RURAL DEVELOPMENT DIVISION

a. Community development block grant

For administration and related federal housing and urban development grant administration for salaries, support, maintenance, miscellaneous purposes, and for not more than the following full-time equivalent positions:

.....	\$	320,855
.....	FTEs	14.00

b. Rural community 2000 program

For salaries, support, maintenance, miscellaneous purposes, and for not more than the following full-time equivalent positions:

.....	\$	1,600,000
.....	FTEs	1.25

Notwithstanding section 15.283, subsection 4, for the fiscal year beginning July 1, 1991, and ending June 30, 1992, all funds allocated under this paragraph shall be used for traditional and new infrastructure and planning as specified under sections 15.284, 15.285, and 15.286A, as enacted by 1991 Iowa Acts, Senate File 254,\* section 9.

As a condition, limitation, and qualification of the appropriation under this paragraph, not more than \$300,000 shall be allocated for the planning category.

c. Community progress

For salaries, support, maintenance, miscellaneous purposes, and for not more than the following full-time equivalent positions for administration of the community economic preparedness program, the Iowa community betterment program, and the city development board:

.....	\$	467,350
.....	FTEs	7.50

d. Councils of governments

To provide to Iowa's councils of governments funds for planning and technical assistance funds to assist local governments to develop community development strategies for addressing long-term and short-term community needs:

.....	\$	300,000
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e. Main street/rural main street program

For salaries and support for not more than the following full-time equivalent positions:

.....	\$	365,000
.....	FTEs	3.00

Notwithstanding section 8.33, moneys committed to grantees under contract that remain unexpended on June 30 of any fiscal year shall not revert to any fund but shall be available for expenditure for purposes of the contract during the succeeding fiscal year.

f. Regional economic development centers

\*Chapter 23 herein

For salaries, support, maintenance, and miscellaneous purposes, and for not more than the following full-time equivalent positions:

.....	\$	768,000
.....	FTEs	2.00

As a condition, limitation, and qualification of the appropriation under this paragraph, not more than 10 percent shall be used by the department for administration of the program.

4. INTERNATIONAL DIVISION

a. International trade operations

For salaries, support, maintenance, miscellaneous purposes, and for not more than the following full-time equivalent positions:

.....	\$	550,000
.....	FTEs	6.00

As a condition, limitation, and qualification of the appropriation under this paragraph, \$160,000 shall be used in conjunction with the Iowa international development foundation for trade development with eastern Europe and the Soviet Union, including but not limited to Czechoslovakia, Hungary, and Poland. The foundation shall report to the general assembly by March 15, 1992, regarding its use of these funds, including, but not limited to, business contacts made, ties established, and trade developments made by the foundation.

b. European trade office

For salaries, support, maintenance, miscellaneous purposes, and for not more than the following full-time equivalent positions:

.....	\$	285,000
.....	FTEs	2.50

c. Asian trade office

For salaries, support, maintenance, miscellaneous purposes, and for not more than the following full-time equivalent positions:

.....	\$	255,000
.....	FTEs	2.00

d. Japan trade office

For salaries, support, maintenance, miscellaneous purposes, and for not more than the following full-time equivalent positions:

.....	\$	300,000
.....	FTEs	2.00

As a condition, limitation, and qualification of the appropriations under paragraph "b" through paragraph "d", the department shall report to the general assembly by February 1, 1992, regarding its use of the funds appropriated, including but not limited to business contacts made, ties established, and trade developments made.

e. Export trade activities program

For export trade activities, including a program to encourage and increase participation in trade shows and trade missions by providing financial assistance to businesses for a percentage of their costs of participating in trade shows and trade missions, by providing for the lease/sublease of showcase space in existing world trade centers, by providing temporary office space for foreign buyers, international prospects, and potential reverse investors, and by providing other promotional and assistance activities, including salaries and support for not more than the following full-time equivalent position:

.....	\$	350,000
.....	FTEs	0.25

f. Agricultural product advisory council

For support, maintenance, and miscellaneous purposes:

.....	\$	4,000
-------	----	-------

g. Partner state program:

.....	\$	100,000
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The department may contract with private groups or organizations which are the most appropriate to administer this program. The groups and organizations participating in the

program shall, to the fullest extent possible, provide the funds to match the appropriation made in this paragraph.

h. Peace institute

For allocation to the Iowa peace institute established in chapter 38:

..... \$ 100,000

5. TOURISM DIVISION

a. Tourism operations

For salaries, support, maintenance, miscellaneous purposes, and for not more than the following full-time equivalent positions:

..... \$ 745,000

..... FTEs 15.97

As a condition, limitation, and qualification of the appropriation made in this paragraph, the appropriation shall not be used for advertising placements for in-state and out-of-state tourism marketing.

b. Tourism advertising

For contracting exclusively for tourism advertising for in-state and out-of-state tourism marketing services, tourism promotion programs, electronic media, print media, and printed materials:

..... \$ 2,540,000

As a condition, limitation, and qualification of the appropriation made in this paragraph, the department shall develop public-private partnerships with Iowa businesses in the tourism industry, Iowa tour groups, Iowa tourism organizations, and political subdivisions in this state to assist in the development of advertising efforts. The department shall, to the fullest extent possible, develop cooperative efforts for advertising with contributions from other sources.

c. Welcome center program:

..... \$ 350,000

Notwithstanding section 8.33, moneys committed to grantees under contract that remain unexpended on June 30 of any fiscal year shall not revert to any fund but shall be available for expenditure for purposes of the contract during the succeeding fiscal year.

As a condition, limitation, and qualification of the appropriations made in this subsection, moneys appropriated shall be used for implementation of the recommendations of the statewide long-range plan for developing and operating welcome centers throughout the state.

Notwithstanding section 8.33, pursuant to 1990 Iowa Acts, chapter 1255, section 37, subsection 1, as amended by 1991 Iowa Acts, House File 173,\* section 1001, the amount of \$275,000 shall be available for the fiscal year beginning July 1, 1991, for completion of contract negotiations for the establishment of the welcome center in the Council Bluffs area.

d. Mississippi river parkway commission

For support, maintenance, and miscellaneous purposes:

..... \$ 19,000

6. WORK FORCE DEVELOPMENT DIVISION

a. Youth work force programs

For purposes of the conservation corps, including salary, support, maintenance, miscellaneous purposes, and for not more than the following full-time equivalent positions:

..... \$ 1,261,614

..... FTEs 1.90

Notwithstanding section 8.33, moneys committed to grantees under contract that remain unexpended on June 30 of any fiscal year shall not revert to any fund but shall be available for expenditure for purposes of the contract during the succeeding fiscal year.

b. Iowa corps

For purposes of the Iowa corps, including salary, support, maintenance, miscellaneous purposes, and for not more than the following full-time equivalent positions:

..... \$ 107,500

..... FTEs 1.00

\*Chapter 260 herein

Notwithstanding section 8.33, moneys obligated for the payment of tuition credits under this program but not expended at the end of the fiscal year shall not revert to any fund but shall be available for expenditure during succeeding fiscal years.

c. Job retraining program

To the Iowa employment retraining fund created in section 15.298 including salaries and support for not more than the following full-time equivalent positions:

.....	\$	1,000,000
.....	FTEs	1.60

d. Work force investment program including salaries and support for not more than the following full-time equivalent position:

.....	\$	1,000,000
.....	FTEs	0.90

This program shall be administered through the department of economic development in consultation with the state job training coordinating council. The program shall be operated on a competitive grant basis and funds shall be available for projects that increase Iowa's pool of available labor via training and support services. \$300,000 of the amount appropriated in this paragraph shall be available specifically for displaced homemaker programs.

e. Labor management councils

For salaries, support, maintenance, miscellaneous purposes, and for not more than the following full-time equivalent positions:

.....	\$	202,320
.....	FTEs	1.05

As a condition, limitation, and qualification of receiving a grant from funds appropriated by this paragraph, grantees shall facilitate the active participation of labor as members of labor management councils. Grantees shall make a good faith effort to either schedule meetings during nonworking hours, or obtain voluntary agreements with employers to allow employees time off to attend labor management council meetings with no loss of pay or other benefits.

Notwithstanding section 8.33, moneys committed to grantees under contract that remain unexpended on June 30 of any fiscal year shall not revert to any fund but shall be available for expenditure for purposes of the contract during the succeeding fiscal year.

Notwithstanding section 8.33, pursuant to 1990 Iowa Acts, chapter 1255, section 37, subsection 1, as amended by 1991 Iowa Acts, House File 173,\* section 1001, moneys remaining unencumbered or unobligated shall be available for expenditure for the fiscal year beginning July 1, 1991, for the same purposes.

Sec. 302. Notwithstanding section 28.120, subsections 5 and 6, there is appropriated from the Iowa community development loan fund to the department of economic development for the fiscal year beginning July 1, 1991, and ending June 30, 1992, the following amount, or so much thereof as is necessary, to be used for the purposes designated:

RURAL DEVELOPMENT FINANCING:

.....	\$	50,000
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Notwithstanding section 8.39, funds appropriated by this section shall not be subject to transfer.

Sec. 303. Notwithstanding section 15.251, subsection 2, there is appropriated from the job training fund created in the office of the treasurer of state to the department of economic development for the fiscal year beginning July 1, 1991, and ending June 30, 1992, the following amount, or so much thereof as is necessary, to be used for the purposes designated:

1. For administration of chapter 280B, including salaries, support, maintenance, miscellaneous purposes, and for not more than the following full-time equivalent positions:

.....	\$	125,000
.....	FTEs	2.40

\*Chapter 260 herein

\*2. For payment to the community colleges to supplement the coordination and instruction of apprentice related instruction, and instructional equipment for apprenticeship programs as provided in section 280A.44:

..... \$ 125,000

As a condition, limitation, and qualification of the appropriation under this subsection, funds shall be allocated to each community college on the basis of the percentage of total contact hours enrolled in apprenticeship training at community colleges as of July 1, 1991.\*

3. For the target alliance program if funds remain in the job training fund after the appropriations in subsections 1 and 2 are made:

..... \$ 30,000

Sec. 304. There is appropriated from the general fund of the state to the Iowa finance authority for the fiscal year beginning July 1, 1991, and ending June 30, 1992, the following amounts, or so much thereof as is necessary, to be used for the purposes designated:

For deposit in the housing improvement fund created in section 220.100 for purposes of the fund:

..... \$ 2,800,000

Sec. 305. There is appropriated from the general fund of the state to the Wallace technology transfer foundation for the fiscal year beginning July 1, 1991, and ending June 30, 1992, the following amount, or so much thereof as is necessary, to be used for the purposes designated:

1. For salaries, support, maintenance, and other operational purposes, for funding the small business innovation research program, and for funding activities as provided in section 28.158:

..... \$ 2,660,000

As a condition, limitation, and qualification of the appropriation under this section, \$75,000 of the funds appropriated in this subsection shall be transferred to the Iowa quality coalition for productivity enhancement projects.

2. For transfer to the Iowa product development corporation fund established in section 28.89:

..... \$ 1,000,000

Sec. 306. There is appropriated from the general fund of the state to INTERNET for the fiscal year beginning July 1, 1991, and ending June 30, 1992, the following amount, or so much thereof as is necessary, to be used for the purposes designated:

For deposit in the international network on trade fund created by the INTERNET board:

..... \$ 515,000

As a condition, limitation, and qualification of the appropriation under this section, \$140,000 shall be allocated to the department of economic development for the Iowa international development foundation for the salaries and support for not more than the following full-time equivalent positions:

..... FTEs 1.50

The full-time equivalent positions receiving moneys from the allocation for the Iowa international development foundation are employees of the department of economic development.

Sec. 307. There is appropriated from the general fund of the state to the Iowa state university of science and technology for the fiscal year beginning July 1, 1991, and ending June 30, 1992, the following amount, or so much thereof as is necessary to be used for the purpose designated:

For funding the small business development centers:

..... \$ 1,190,000

Sec. 308. There is appropriated from the community college job training fund created in section 280C.6, subsection 1, as amended by 1991 Iowa Acts, Senate File 90,\*\* to the department of economic development for the fiscal year beginning July 1, 1991, and ending June 30, 1992, the following amount, or so much thereof as is necessary, to be used for the purposes designated:

\*Item veto; see message at end of the Act  
\*\*Chapter 2 herein

For salaries, support, maintenance, and miscellaneous purposes for the administration of the Iowa small business new jobs training Act, and for not more than the following full-time equivalent position:

.....	\$	38,954
.....	FTEs	.70

Sec. 309. Section 15.286, subsection 2, Code 1991, is amended to read as follows:

2. Applicants must be seeking funds to assist in meeting the area needs of lower and very low income families in pursuit of decent housing or in meeting the purposes of the housing trust improvement fund program as described in section 220.100, subsection 2.

Sec. 310. Section 15.286, subsection 4, paragraph b, subparagraph (1), Code 1991, is amended to read as follows:

(1) Assistance that will be used to meet the purposes of the housing trust improvement fund program.

Sec. 311. Section 15.286A, subsection 2, as enacted by 1991 Iowa Acts, Senate File 254, section 9, is amended to read as follows:

2. A city, cluster of cities, county, group of counties, ~~unincorporated community, group of unincorporated communities,~~ council of governments, or regional planning commission, or one of these entities on behalf of an unincorporated community or group of unincorporated communities, is eligible to apply for loans or grants from this category for planning efforts related to the community builder program.

Sec. 312. Section 15.287, Code 1991, is amended to read as follows:

15.287 REVOLVING FUND.

The Iowa finance authority shall establish a revolving fund for the program and shall transfer to the department moneys to be administered by the department. The moneys in the revolving fund are appropriated for purposes of the program. Notwithstanding section 8.33, moneys in the fund at the end of a fiscal year shall not revert to any other fund but shall remain in the revolving fund. The fund shall consist of all appropriations, grants, or gifts received by the authority or the department specifically for use under this part and all repayments of loans or grants made under this part. However, loan repayments from loans made under section 28.120, which are not allocated to another program, shall be deposited in the revolving fund and shall be available for allocation by the director for categories administered by the department.

Sec. 313. Section 28.120, Code 1991, is amended by adding the following new subsection:

**NEW SUBSECTION.** 8. Loan repayments made under this section and unallocated in the special account in subsection 5, shall be allocated to the revolving account of the rural community 2000 program created in section 15.287.

Sec. 314. Section 28.143, subsection 1, paragraph e, Code 1991, is amended to read as follows:

e. The superintendent of savings and loans credit unions.

Sec. 315. Section 28.144, Code 1991, is amended by striking the section and inserting in lieu thereof the following:

28.144 PRESIDENT OF THE CORPORATION.

The director of the department shall appoint the president of the corporation from the division within the department that administers business financial assistance programs. Administrative and staff support shall be furnished by the department.

Sec. 316. Section 220.100, Code 1991, is amended to read as follows:

220.100 HOUSING TRUST IMPROVEMENT FUND PROGRAM.

1. A housing trust improvement fund is created within the authority. The moneys in the housing trust improvement fund are annually appropriated to the authority which shall

allocate the available funds among and within the programs authorized by this section. Notwithstanding section 8.33, unencumbered or unobligated moneys remaining in the fund on June 30 of any fiscal year shall not revert to any other fund but shall be available for expenditure for subsequent fiscal years. Notwithstanding section 453.7, interest or earnings on moneys in the fund or appropriated to the fund shall be credited to the fund. The authority may expend up to four percent of the moneys appropriated for the programs in this section for administrative costs of the authority for those programs. The authority may provide financial assistance to a housing sponsor or an individual in the form of loans, guarantees, grants, interest subsidies, or by other means for the programs authorized by this section.

2. By rule, the authority shall establish the following financial assistance programs and provide the requirements for their proper administration:

a. A grant program for the homeless for the construction, rehabilitation, expansion, or costs of operating operations of group home shelter shelters for the homeless.

b. A home maintenance and repair program providing repair services to elderly, handicapped, or disabled families which qualify as lower income or very low income families.

c. A rental rehabilitation program for the construction or rehabilitation of single or multi-family rental properties leased to lower income or very low income families.

d. A home ownership incentive program to help lower income and very low income families achieve single family home ownership. Funds provided under this program shall not be restricted to first-time home buyers but shall be limited to mortgages under \$55,000, except in those areas of the state where the median price of homes exceeds the state average. The assistance provided shall include at least one of the following kinds of assistance:

(1) Closing costs assistance.

(2) Down payment assistance.

(3) Home maintenance and repair assistance.

(4) Loan processing assistance through a loan endorser review contractor who acts on behalf of the authority in assisting lenders in processing loans that will qualify for government insurance or guarantee or for financing under the authority's mortgage revenue bond program.

(5) Mortgage insurance program.

Five percent of the moneys expended under this program shall be used to finance the purchase or acquisition, in communities with a population of less than ten thousand, of manufactured homes as defined in 42 U.S.C. § 5403. Moneys available for this purpose which are unencumbered or unobligated at the end of the fiscal year shall revert to the housing improvement fund for reallocation for the next fiscal year.

Not more than 50 percent of the assistance provided under this program shall be provided under subparagraphs (4) and (5). So long as at least one of the kinds of assistance described in subparagraphs (1) through (5) are provided, additional assistance not described in subparagraphs (1) through (5) may also be provided.

e. The housing category of the rural community 2000 program, as described in section 15.286.

3. The authority shall coordinate the programs authorized by this section with the other programs under the jurisdiction of the authority.

4. Each application for financial assistance shall be rated based on local, housing sponsor, and recipient financial commitment, proposals for leveraging other financial assistance, experience with the recipient group involved, consideration for the housing project in the context of overall community needs, including vacancy rate of rental property and ratio of subsidized rental housing to nonsubsidized housing, ability to provide a counseling support system to the recipients, and a demonstrated capability by the housing sponsor to provide follow-up monitoring of recipients to determine if identifiable results have been achieved.

5. For the purposes of this section, "housing sponsor" is limited to private a for-profit entity, nonprofit corporations and local governments and joint ventures corporation, local government, or a joint venture involving a private for-profit entity, nonprofit corporation or local government and does not include a for-profit entity.

6. None of the funds provided to a housing sponsor under this section shall be used for the costs of administration. The authority may expend up to four percent of the funds appropriated for the programs in this section for the administrative costs under this section to hire adequate staff to carry out these programs.

7. During each regular session of the general assembly, the authority shall present, to the appropriate appropriations subcommittee, a report concerning the total estimated resources to be available for expenditure under this section for the next fiscal year and the amount the authority proposes to allocate to each program under this section.

7 8. A homelessness advisory committee is created consisting of the executive director or the executive director's designee, the directors or their designees from the departments of economic development, elder affairs, human services, and human rights, and at least three individuals from the private sector to be selected by the executive director. The advisory committee shall advise the authority in coordinating programs that provide for the homeless.

Sec. 317. Section 428A.1, unnumbered paragraph 1, Code 1991, is amended to read as follows:

There is imposed on each deed, instrument, or writing by which any lands, tenements, or other realty in this state shall be are granted, assigned, transferred, or otherwise conveyed, a tax determined in the following manner: When there is no consideration or when the deed instrument or writing is executed and tendered for recording as an instrument corrective of title, and so states, there shall be is no tax. When there is consideration and the actual market value of the real property transferred is in excess of five hundred dollars, the tax shall be ~~fifty-five~~ is eighty cents for each five hundred dollars or fractional part of five hundred dollars in excess of five hundred dollars. The term "consideration", as used in this chapter, means the full amount of the actual sale price of the real property involved, paid or to be paid, including the amount of an incumbrance or lien on the property, whether assumed or not by the grantee. It ~~shall be~~ is presumed that the sale price so stated shall ~~include~~ includes the value of all personal property transferred as part of the sale unless the dollar value of ~~said~~ personal property is stated on the instrument of conveyance. When the dollar value of the personal property included in the sale is so stated, it shall be deducted from the consideration shown on the instrument for the purpose of determining the tax.

Sec. 318. Section 428A.8, Code 1991, is amended to read as follows:

428A.8 REMITTANCE TO STATE TREASURER — PORTION RETAINED IN COUNTY.

On or before the tenth day of each month the county recorder shall determine and pay to the treasurer of state ~~seventy-five~~ eighty-two and three-fourths percent of the receipts from the real estate transfer tax collected during the preceding month and the treasurer of state shall deposit the receipts in the general fund of the state.

The county recorder shall deposit the remaining ~~twenty-five~~ seventeen and one-fourth percent of the receipts in the county general fund.

The county recorder shall keep records and make reports with respect to the real estate transfer tax as the director of revenue and finance prescribes.

Sec. 319. Section 15.232, Code 1991, is repealed.

DIVISION IV  
JUSTICE SYSTEMS APPROPRIATIONS

Sec. 401. There is appropriated from the general fund of the state to the department of justice for the fiscal year beginning July 1, 1991, and ending June 30, 1992, the following amounts, or so much thereof as is necessary, to be used for the purposes designated:

1. For the general office of attorney general for salaries, support, maintenance, miscellaneous purposes, and for not more than the following full-time equivalent positions:		
.....	\$	4,416,222
.....	FTEs	177.00

2. Prosecuting attorney training program for salaries, support, maintenance, miscellaneous purposes, and for not more than the following full-time equivalent positions:

.....	\$	137,545
.....	FTEs	4.75

In addition to the funds appropriated in this subsection for the fiscal year beginning July 1, 1991, and ending June 30, 1992, the attorney general shall provide up to \$41,000 in state matching funds from moneys retained by the attorney general from property forfeited pursuant to section 809.13, for the prosecuting attorney training program, the prosecuting intern program, or both. Counties participating in the prosecuting intern program shall match the state funds.

3. In addition to the funds appropriated under subsection 1, there is appropriated from the general fund of the state to the department of justice for the fiscal year beginning July 1, 1991, and ending June 30, 1992, an amount not exceeding \$95,000 to be used for the enforcement of the Iowa competition law under chapter 553. The expenditure of the funds appropriated under this subsection is contingent upon receipt by the general fund of the state of an amount at least equal to either the expenditures from damages awarded to the state or a political subdivision of the state by a civil judgment under chapter 553, if the judgment authorizes the use of the award for enforcement purposes or costs or attorneys fees awarded the state in state or federal antitrust actions.

4. In addition to funds appropriated under subsection 1, there is appropriated from the general fund of the state to the department of justice for the fiscal year beginning July 1, 1991, and ending June 30, 1992, an amount not exceeding \$50,000 to be used for public education relating to consumer fraud and for enforcement of section 714.16, and \$25,000 for investigation, prosecution, and consumer education relating to consumer and criminal fraud against older Iowans. The expenditure of the funds appropriated under this subsection is contingent upon receipt by the general fund of the state of an amount at least equal to the expenditures from damages awarded to the state or a political subdivision of the state by a civil consumer fraud judgment, if the judgment authorizes the use of the award for public education on consumer fraud. Notwithstanding section 8.33, funds received in a previous fiscal year which have not been expended shall be credited to this fiscal year.

5. For the farm mediation service program:

.....	\$	100,000
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6. For the legal assistance for farmers program:

.....	\$	100,000
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7. For victim assistance grants, as provided in Senate File 444,\* if Senate File 444 is enacted by the Seventy-fourth General Assembly, first regular session, in a manner which raises certain court costs and fees and deposits the resulting receipts either directly into the general fund of the state, or into the general fund of the state through the court revenue distribution account:

.....	\$	1,400,000
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As a condition, limitation, and qualification of this appropriation, no more than \$60,000 shall be expended for the costs of the general office of the attorney general's administrative duties pursuant to Senate File 444,\* and \$100,000 shall be awarded to the department of corrections for one-time costs associated with establishing batterers' treatment programs in the judicial district departments of correctional services, as set forth in Senate File 444. The department of corrections shall award the \$100,000 on a competitive basis to the judicial district departments of correctional services. The remaining funds shall be used to provide grants to care providers providing services to crime victims of domestic abuse or to crime victims of rape and sexual assault.

However, if Senate File 444\* is not enacted by the Seventy-fourth General Assembly, first regular session, in a manner which raises certain court costs and fees and deposits the resulting receipts either directly into the general fund, or into the general fund through the court revenue distribution account, there is appropriated from the general fund of the state to the

\*Chapter 218 herein

department of justice for the fiscal year beginning July 1, 1991, and ending June 30, 1992, the following amount, or so much thereof as is necessary to be used for the purpose designated:

For victim assistance grants:

..... \$ 1,071,782

Whether or not Senate File 444\* is enacted by the Seventy-fourth General Assembly, notwithstanding section 8.33 or 8.39, any balance remaining from the appropriation pursuant to this subsection shall not revert to the general fund of the state, and shall not be transferred to any other program.

8. For the GASA prosecuting attorney program:

..... \$ 103,400

..... FTEs 1.00

9. The balance of the fund created under section 321J.17 may be used to provide salary and support of not more than 6 FTEs and to provide maintenance for the victim compensation functions of the department of justice.

10. The department of justice shall submit monthly financial statements to the legislative fiscal bureau and the department of management containing all appropriated accounts in the same manner as provided in the monthly financial status reports and personal services usage reports of the department of revenue and finance. The monthly financial statements shall include comparisons of the moneys and percentage spent of budgeted to actual revenues and expenditures on a cumulative basis for full-time equivalent positions and available moneys.

Sec. 402. There is appropriated from the general fund to the office of consumer advocate of the department of justice for the fiscal year beginning July 1, 1991, and ending June 30, 1992, the following amount, or so much thereof as is necessary, to be used for the purposes designated:

For salaries, support, maintenance, miscellaneous purposes, and for not more than the following full-time equivalent positions:

..... \$ 2,000,000

..... FTEs 32.00

Sec. 403. There is appropriated from the general fund of the state to the board of parole for the fiscal year beginning July 1, 1991, and ending June 30, 1992, the following amount, or so much thereof as is necessary, to be used for the purposes designated:

For salaries, support, maintenance, miscellaneous purposes, and for not more than the following full-time equivalent positions:

..... \$ 770,000

..... FTEs 18.00

As a condition, limitation, and qualification of this appropriation the board of parole shall maintain an automated docket and shall maintain the board's automated risk assessment model.

As a condition, limitation, and qualification of this appropriation the board of parole shall employ 2 statistical research analysts to assist with the application of the risk assessment model in the parole decision-making process. The board of parole shall also require the board's administrative staff to be cross-trained to assure that each individual on that staff is familiar with all tasks performed by the staff.

It is the intent of the general assembly that the department of corrections and the board of parole shall review, and implement as necessary, the findings and recommendations contained in the final report prepared by the consultant and presented to the corrections system review task force which was established by 1988 Iowa Acts, chapter 1271, as they relate to the department of corrections and the board of parole. The board shall report to the justice system appropriations subcommittee during the 1992 legislative session, at the request of the subcommittee, steps taken to implement any of those recommendations, or the reasons for failing to implement such recommendations.

Sec. 404. There is appropriated from the general fund of the state to the department of corrections for the fiscal year beginning July 1, 1991, and ending June 30, 1992, the following amounts, or so much thereof as is necessary, to be used for the purposes designated:

\*Chapter 218 herein

1. For the operation of adult correctional institutions, to be allocated as follows:

a. For the operation of the Fort Madison correctional facility, including salaries, support, maintenance, miscellaneous purposes, and for not more than the following full-time equivalent positions:

.....	\$	21,829,312
.....	FTEs	502.50

As a condition, limitation, and qualification of this appropriation, the facility shall employ 310 correctional officers.

b. For the operation of the Anamosa correctional facility, including salaries, support, maintenance, miscellaneous purposes, and for not more than the following full-time equivalent positions:

.....	\$	16,153,646
.....	FTEs	356.00

(1) As a condition, limitation, and qualification of this appropriation, the facility shall employ 211 correctional officers and a part-time chaplain of a minority race.

(2) Of the funds appropriated, the department's budget for Anamosa shall include funding for 2 full-time substance abuse counselors for the Luster Heights facility, for the purpose of certification of a substance abuse program at that facility.

c. For the operation of the Oakdale correctional facility, including salaries, support, maintenance, miscellaneous purposes, and for not more than the following full-time equivalent positions:

.....	\$	13,737,933
.....	FTEs	307.53

d. For the operation of the Newton correctional facility, including salaries, support, maintenance, miscellaneous purposes, and for not more than the following full-time equivalent positions:

.....	\$	4,149,032
.....	FTEs	91.72

e. For the operation of the Mt. Pleasant correctional facility, including salaries, support, maintenance, miscellaneous purposes, and for not more than the following full-time equivalent positions:

.....	\$	11,606,136
.....	FTEs	267.15

As a condition, limitation, and qualification of this appropriation, the facility shall employ 141 correctional officers, and a full-time chaplain to provide religious counseling at the Oakdale and Mt. Pleasant correctional facilities.

f. For the operation of the Rockwell City correctional facility, including salaries, support, maintenance, miscellaneous purposes, and for not more than the following full-time equivalent positions:

.....	\$	3,988,999
.....	FTEs	82.89

g. For the operation of the Clarinda correctional facility, including salaries, support, maintenance, miscellaneous purposes, and for not more than the following full-time equivalent positions:

.....	\$	5,318,793
.....	FTEs	137.20

As a condition, limitation, and qualification of this appropriation, the facility shall employ 6 additional counselors to expand "The Other Way" substance abuse treatment program. The facility may provide up to \$205,250 as a state match requirement to receive federal substance abuse treatment grants.

h. For the operation of the Mitchellville correctional facility, including salaries, support, maintenance, miscellaneous purposes, and for not more than the following full-time equivalent positions:

.....	\$	4,760,300
.....	FTEs	112.14

2. The department of corrections shall provide a report to the co-chairpersons and ranking members of the justice system appropriations subcommittee and the legislative fiscal bureau on or before January 15, 1992, outlining the implementation of the centralized education program for the correctional system. The report shall include a listing of the educational institutions that are involved, the amount of any federal funds received for use with these programs, and any other pertinent information.

3. If the inmate tort claim fund for inmate claims of less than \$50 is exhausted during the fiscal year, sufficient funds shall be transferred from the institutional budgets to pay approved tort claims for the balance of the fiscal year. The warden or superintendent of each institution or correctional facility shall designate an employee to receive, investigate, and recommend whether to pay any properly filed inmate tort claim for less than the above amount. The designee's recommendation shall be approved or denied by the warden or superintendent and forwarded to the department of corrections for final approval and payment. The amounts appropriated to this fund pursuant to 1987 Iowa Acts, chapter 234, section 304, subsection 2, are not subject to reversion under section 8.33.

Tort claims denied at the institution shall be forwarded to the state appeal board for their consideration as if originally filed with that body. This procedure shall be used in lieu of chapter 25A for inmate tort claims of less than \$50.

Sec. 405. There is appropriated from the general fund of the state to the department of corrections for the fiscal year beginning July 1, 1991, and ending June 30, 1992, the following amounts, or so much thereof as is necessary, to be used for the purposes designated:

1. For general administration, including salaries, support, maintenance, miscellaneous purposes, and for not more than the following full-time equivalent positions:

.....	\$	2,141,828
.....	FTEs	43.52

As a condition, limitation, and qualification of this appropriation the department shall employ an education director and clerk to administer a centralized education program for the correctional system.

The department shall monitor the use of the classification model by the judicial district departments of correctional services and has the authority to override a district department's decision regarding classification of community-based clients. The department shall notify a district department of the reasons for the override.

2. For reimbursement of counties for temporary confinement of work release and parole violators, as provided in sections 246.908, 901.7, and 906.17 and for offenders confined pursuant to section 246.513:

.....	\$	250,000
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3. For federal prison reimbursement and miscellaneous contracts:

.....	\$	360,000
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The department of corrections shall use funds appropriated by this subsection to continue to contract for the services of a Muslim imam.

4. For salaries, support, maintenance, miscellaneous purposes, and for not more than the following full-time equivalent positions at the correctional training center at Mt. Pleasant:

.....	\$	375,000
.....	FTEs	8.22

5. For annual payment relating to the financial arrangement for the construction of expansion in prison capacity as provided in 1989 Iowa Acts, chapter 316, section 7, subsection 6:

.....	\$	625,860
-------	----	---------

6. For annual payment relating to the financial arrangement for the construction of expansion in prison capacity as provided in 1990 Iowa Acts, chapter 1257, section 24:

.....	\$	3,143,250
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Sec. 406.

1. There is appropriated from the general fund of the state to the department of corrections for the fiscal year beginning July 1, 1991, and ending June 30, 1992, the following amounts, or so much thereof as is necessary, to be allocated as follows:

a. For the first judicial district department of correctional services, the following amount, or so much thereof as is necessary:

..... \$ 5,628,321

The district department shall continue the intensive supervision program established within the district in 1988 Iowa Acts, chapter 1271, section 6, subsection 1, paragraph "a", and the sex offender treatment program established within the district in 1989 Iowa Acts, chapter 316, section 8, subsection 1, paragraph "a".

The district department, in cooperation with the chief judge of the judicial district, shall continue the implementation of a plan to divert low-risk offenders to the least restrictive sanction available.

b. For the second judicial district department of correctional services, the following amount, or so much thereof as is necessary:

..... \$ 3,987,710

The district department shall continue the sex offender treatment program established within the district in 1988 Iowa Acts, chapter 1271, section 6, subsection 1, paragraph "b".

The district department, in cooperation with the chief judge of the judicial district, shall continue the implementation of a plan to divert low-risk offenders to the least restrictive sanction available.

c. For the third judicial district department of correctional services, the following amount, or so much thereof as is necessary:

..... \$ 2,471,347

The district department shall continue the sex offender treatment program established within the district in 1988 Iowa Acts, chapter 1271, section 6, subsection 1, paragraph "c", and the intensive supervision program established within the district in 1990 Iowa Acts, chapter 1268, section 6, subsection 3, paragraph "d".

The district department, in cooperation with the chief judge of the judicial district, shall continue the implementation of a plan to divert low-risk offenders to the least restrictive sanction available.

d. For the fourth judicial district department of correctional services, the following amount, or so much thereof as is necessary:

..... \$ 2,004,154

The district department shall continue the sex offender treatment program established within the district in 1988 Iowa Acts, chapter 1271, section 6, subsection 1, paragraph "d".

The district department, in cooperation with the chief judge of the judicial district, shall continue the implementation of a plan to divert low-risk offenders to the least restrictive sanction available.

e. For the fifth judicial district department of correctional services, the following amount, or so much thereof as is necessary:

..... \$ 7,163,590

The district department shall continue the intensive supervision program established within the district in 1988 Iowa Acts, chapter 1271, section 6, subsection 1, paragraph "e", and shall continue to provide for the rental of electronic monitoring equipment.

The district department, in cooperation with the chief judge of the judicial district, shall continue the implementation of a plan to divert low-risk offenders to the least restrictive sanction available.

f. For the sixth judicial district department of correctional services, the following amount, or so much thereof as is necessary:

..... \$ 5,594,770

The district department shall continue the intensive supervision program established within the district in 1988 Iowa Acts, chapter 1271, section 6, subsection 1, paragraph "f", and the sex offender treatment program established within the district in 1989 Iowa Acts, chapter 316, section 8, subsection 1, paragraph "f".

The district department, in cooperation with the chief judge of the judicial district, shall continue the implementation of a plan to divert low-risk offenders to the least restrictive sanction available.

g. For the seventh judicial district department of correctional services, the following amount, or so much thereof as is necessary:

..... \$ 3,908,666

The district department shall continue the intensive supervision program established within the district in 1988 Iowa Acts, chapter 1271, section 6, subsection 1, paragraph "g", and shall continue the sex offender treatment program established within the district in 1989 Iowa Acts, chapter 316, section 8, subsection 1, paragraph "g".

The district department shall continue the job development program established within the district in 1990 Iowa Acts, chapter 1268, section 6, subsection 7, paragraph "e".

The district department, in cooperation with the chief judge of the judicial district, shall continue the implementation of a plan to divert low-risk offenders to the least restrictive sanction available.

h. For the eighth judicial district department of correctional services, the following amount, or so much thereof as is necessary:

..... \$ 3,170,622

The district department shall continue the intensive supervision program established within the district in 1988 Iowa Acts, chapter 1271, section 6, subsection 1, paragraph "h", and shall continue the sex offender treatment program established within the district in 1989 Iowa Acts, chapter 316, section 8, subsection 1, paragraph "h".

The district department, in cooperation with the chief judge of the judicial district, shall continue the implementation of a plan to divert low-risk offenders to the least restrictive sanction available.

i. For the department of corrections for the assistance and support of each judicial district department of correctional services, the following amount, or so much thereof as is necessary:

..... \$ 91,057

2. The department of corrections shall continue the OWI facilities established in 1986 Iowa Acts, chapter 1246, section 402, in compliance with the conditions specified in that section.

3. The department of corrections shall continue to contract with a judicial district department of correctional services to provide for the rental of electronic monitoring equipment which shall be available statewide.

4. Each judicial district department of correctional services and the department of corrections shall continue the treatment alternatives to street crime programs established in 1989 Iowa Acts, chapter 225, section 9.

5. The first, sixth, and eighth judicial district departments of correctional services and the department of corrections shall continue the job training and development grant programs established in 1989 Iowa Acts, chapter 316, section 7, subsection 2.

6. The department of corrections shall not make an intradepartmental transfer of moneys appropriated to the department, unless notice of the intradepartmental transfer is given prior to its effective date to the legislative fiscal bureau. The notice shall include information on the department's rationale for making the transfer and details concerning the work load and performance measures upon which the transfers are based.

7. The governor's alliance on substance abuse shall consider federal grants made to the department of corrections for the benefit of each of the eight judicial district departments of correctional services as local government grants, as defined pursuant to federal regulations.

Sec. 407. There is appropriated from the general fund of the state to the judicial department for the fiscal year beginning July 1, 1991, and ending June 30, 1992, the following amounts, or so much thereof as is necessary, to be used for the purposes designated:

1. For salaries of supreme court justices, appellate court judges, district court judges, district associate judges, judicial magistrates and staff, state court administrator, clerk of the supreme court, district court administrators, clerks of the district court, including fully compensating clerks of court, trial court supervisors, trial court technicians II, and financial supervisors I and II for the full 40-hour workweek, juvenile court officers, board of law examiners and board of examiners of shorthand reporters and judicial qualifications commission, receipt and disbursement of child support payments, and maintenance, equipment, and miscellaneous purposes:

..... \$ 73,200,000

As a condition, limitation, and qualification of this appropriation, the department shall reimburse the auditor of state for expenses incurred in completing audits of the offices of the clerks of the district court during the fiscal year beginning July 1, 1991.

As a condition, limitation, and qualification of this appropriation, the judicial department, except for purposes of internal processing, shall use the current state budget system, the state payroll system, and the Iowa finance and accounting system in administration of programs and payments for services, and shall not duplicate the state payroll, accounting, and budgeting systems.

The judicial department shall submit monthly financial statements to the legislative fiscal bureau and the department of management containing all appropriated accounts in the same manner as provided in the monthly financial status reports and personal services usage reports of the department of revenue and finance. The monthly financial statements shall include a comparison of the dollars and percentage spent of budgeted versus actual revenues and expenditures on a cumulative basis for full-time equivalent positions and dollars.

Of the funds appropriated under this subsection, not more than \$1,800,000 may be transferred into the revolving fund established pursuant to section 602.1302, subsection 3, to be used for the payment of jury and witness fees and mileage.

2. For the juvenile victim restitution program:

..... \$ 100,000

Sec. 408. There is appropriated from the general fund of the state to the judicial department for the fiscal year beginning July 1, 1991, and ending June 30, 1992, the following amount, or so much thereof as is necessary, to be used for the purpose designated:

For the Iowa court information system:

..... \$ 875,000

As a condition, limitation, and qualification of this appropriation, the judicial department, except for purposes of internal processing, shall use the current state budget system, the state payroll system, and the Iowa finance and accounting system in administration of programs and payments for services, and shall not duplicate the state payroll, accounting, and budgeting systems.

The judicial department shall not change the appropriations from the amounts appropriated under this section, unless notice of the revisions is given prior to their effective date to the legislative fiscal bureau. The notice shall include information on the department's rationale for making the changes and details concerning the work load and performance measures upon which the changes are based.

The judicial department shall conduct a comparable worth study concerning juvenile court officers. As used in this paragraph, "comparable worth" means comparable worth as defined in section 602.1204. The judicial department shall report its findings and recommendations to the joint justice systems appropriations subcommittee by January 1, 1992. No pay grade changes resulting from the study shall be implemented prior to July 1, 1992, subject to sufficient salary adjustment funds being appropriated specifically for that purpose.

Sec. 409. The department of corrections, judicial district departments of correctional services, board of parole, and the judicial department shall continue to develop an automated data system for use in the sharing of information between the department of corrections, judicial district departments of correctional services, board of parole, and the judicial department. The information to be shared shall concern any individual who may, as the result of an arrest or infraction of any law, be subject to the jurisdiction of the department of corrections, judicial district departments of correctional services, or board of parole.

Sec. 410. Section 13.15, unnumbered paragraph 2, Code 1991, is amended to read as follows:

The rules shall provide for an hourly mediation fee not to exceed twenty-five dollars per hour per party fifty dollars for the borrower and one hundred dollars for the creditor. The hourly mediation fee may be waived for any party demonstrating financial hardship upon application to the farm mediation service.

*\*Sec. 411. NEW SECTION. 13.26 FARM ASSISTANCE FUND ESTABLISHED.*

*A farm assistance fund is established as a separate fund in the state treasury under the control of the department of justice. It is the intent of the general assembly that the moneys deposited in the fund shall be used for legal assistance to financially distressed farmers. These funds shall be used only to the extent appropriated by the general assembly. Notwithstanding section 8.33, any balance in the fund on June 30 of any fiscal year shall not revert to any fund but shall remain in the fund for the subsequent fiscal year.\**

*\*Sec. 412. Section 312.2, subsection 13, Code 1991, as amended by 1991 Iowa Acts, House File 173, section 1223, is amended to read as follows:*

*13. The treasurer of state, before making the allotments provided for in this section, shall credit annually to the department of justice from the road use tax fund an amount equal to twenty-five cents on each title issuance for motor vehicle fraud law enforcement and prosecution purposes ~~including, but not limited to, the enforcement of state and federal odometer laws, the prosecution of highway-related criminal matters, and the training of county attorney and attorney general staff in the prosecution of violations of chapters 321, 321A, and 321J, and related offenses.~~*

*Notwithstanding the provisions of this subsection directing that twenty-five cents on each title issuance be annually credited to the department of justice for deposit into the motor vehicle fraud account, for the fiscal period beginning on July 1, 1991, and ending June 30, 1993, the twenty-five cents on each title issuance shall be deposited into the general fund of the state.\**

Sec. 413. Section 356.26, unnumbered paragraph 3, Code 1991, is amended to read as follows:

The district court may also grant by order to any person sentenced to a county jail the privilege of a sentence of in-home detention where the county sheriff has certified to the court that the jail has an in-home detention program. ~~The department of corrections shall report to the legislative fiscal bureau on a semiannual basis concerning utilization of in-home detention, including the counties which have established such programs and the number of prisoners allowed in-home detention privileges.~~

Sec. 414. Section 602.1301, subsection 2, paragraph a, subparagraph (1), Code 1991, is amended by striking the subparagraph and inserting in lieu thereof the following:

(1) Iowa court information system.

Sec. 415. Section 602.8102, Code 1991, is amended by adding the following new subsection:

**NEW SUBSECTION. 163A.** Make every reasonable effort to collect all outstanding fines, penalties, surcharges, and court costs. The clerk shall notify in writing within forty-five days after assessment, those persons who have unpaid fines, penalties, surcharges, and court costs.

*\*Sec. 416. Section 654.18, subsection 1, paragraph d, Code 1991, is amended to read as follows:*

*d. The mortgagor and mortgagee shall file a jointly executed document with the county recorder in the county where the real property is located stating that the mortgagor and*

\*Item veto; see message at end of the Act

mortgagee have elected to follow the alternative voluntary foreclosure procedures pursuant to this section. If the subject property is agricultural land used for farming, as defined in section 172C.1, in addition to the fee collected pursuant to section 331.604, the recorder shall collect a fee of sixty dollars for filing the document, and shall remit the sixty-dollar fee to the treasurer of state for deposit in the farm assistance fund established in section 13.26.\*

*\*Sec. 417. Section 654.19, Code 1991, is amended to read as follows:*

**654.19 DEED IN LIEU OF FORECLOSURE — AGRICULTURAL LAND.**

*In lieu of a foreclosure action in court due to default on a recorded mortgage or deed of trust of real property, if the subject property is agricultural land used for farming, as defined in section 172C.1, the mortgagee and mortgagor may enter into an agreement in which the mortgagor agrees to transfer the agricultural land to the mortgagee in satisfaction of all or part of the mortgage obligation as agreed upon by the parties. The agreement may grant the mortgagor a right to purchase the agricultural land for a period not to exceed five years, and may entitle the mortgagor to lease the agricultural land. The agreement shall be recorded with the deed transferring title to the mortgagee. In addition to the fee collected pursuant to section 331.604, the recorder shall collect a fee of sixty dollars for recording the agreement and deed, and shall remit the sixty-dollar fee to the treasurer of state for deposit in the farm assistance fund established in section 13.26. A transfer of title and agreement pursuant to this section does not constitute an equitable mortgage.\**

*\*Sec. 418. Section 655A.7, Code 1991, is amended to read as follows:*

**655A.7 PROOF AND RECORD OF SERVICE.**

*If the terms and conditions as to which there is default are not performed within the thirty days, the party serving the notice or causing it to be served shall file for record in the office of the county recorder a copy of the notice with proofs of service required under section 655A.4 attached or endorsed on it and, in case of service by publication, a personal affidavit that personal service could not be made within this state, and when those documents are filed and recorded, the record is constructive notice to all parties of the due foreclosure of the mortgage. In addition to the fee collected pursuant to section 331.604, the recorder shall collect a fee of sixty dollars for recording the documents required by this section, and shall remit the sixty-dollar fee to the treasurer of state for deposit in the farm assistance fund established in section 13.26.\**

*\*Sec. 419. Section 656.5, Code 1991, is amended to read as follows:*

**656.5 PROOF AND RECORD OF SERVICE.**

*If the terms and conditions as to which there is default are not performed within said thirty days, the party serving said notice or causing the same to be served, may file for record in the office of the county recorder a copy of the notice aforesaid with proofs of service attached or endorsed thereon (and, in case of service by publication, a personal affidavit that personal service could not be made within this state), and when so filed and recorded, the said record shall be constructive notice to all parties of the due forfeiture and cancellation of said contract. If the subject property is agricultural land used for farming, as defined in section 172C.1, in addition to the fee collected pursuant to section 331.604, the recorder shall collect a fee of sixty dollars for filing the notice, and shall remit the sixty-dollar fee to the treasurer of state for deposit in the farm assistance fund established in section 13.26.\**

*Sec. 420. Section 905.4, subsection 5, Code 1991, is amended to read as follows:*

5. Arrange for, by contract or on such alternative basis as may be mutually acceptable, and equip suitable quarters at one or more sites in the district as may be necessary for the district department's community-based correctional program, provided that the board shall to the greatest extent feasible utilize existing facilities and shall keep capital expenditures for acquisition, renovation and repair of facilities to a minimum. The district board shall not enter into lease-purchase agreements for the purposes of constructing, renovating, expanding, or otherwise improving a community-based correctional facility or office unless express authorization

has been granted by the general assembly, and current funding is adequate to meet the lease-purchase obligation.

Sec. 421. Section 905.6, subsection 5, Code 1991, is amended to read as follows:

5. Act as secretary to the district board, prepare its agenda and record its proceedings. The district shall provide a copy of minutes from each meeting of the district board to the legislative fiscal bureau.

Sec. 422. 1990 Iowa Acts, chapter 1224, section 1, unnumbered paragraph 1, is amended to read as follows:

In order to implement this Act, the department of human services and the judicial department shall mutually agree on a schedule to complete the transfer of support payment collection and disbursement responsibilities from the collection services center to the clerks of the district court. The schedule shall provide for the completion of the transfer of the responsibilities for all affected orders by June 30, ~~1991~~ 1993. The following procedure shall be used for any order affected by the initial transfer of responsibilities:

*\*Sec. 423. 1990 Iowa Acts, chapter 1257, section 24, subsection 4, unnumbered paragraph 2, is amended to read as follows:*

*As a condition, limitation, and qualification of this appropriation, the beds shall be used for a 30-to-60-day shock revocation program for parole and probation violators who are male offenders. The beds shall be administered by the state department of corrections.\**

Sec. 424. 1990 Iowa Acts, chapter 1268, section 5, subsection 2, is amended to read as follows:

2. For reimbursement of counties for temporary confinement of work release and parole violators, as provided in sections 246.908, 901.7, and 906.17 and for offenders confined pursuant to section 246.513:

..... \$ 215,000

Sec. 425. EFFECTIVE DATE AND RETROACTIVE APPLICABILITY PROVISIONS.

- 1. Section 420 of this division takes effect on January 1, 1992.
- 2. Sections 422 and 424 of this division, being deemed of immediate importance, take effect upon enactment. Section 424 of the division applies retroactively to July 1, 1990.

DIVISION V  
RELATING TO STANDING APPROPRIATIONS AND TAXES

Sec. 501. Notwithstanding the standing appropriation in sections 425A.1 to the family farm tax credit fund and 426.1 to the agricultural land tax credit fund, there is appropriated from the general fund of the state to the agricultural land tax credit fund for the fiscal year beginning July 1, 1991, the sum of \$43,065,000 of which the first \$10,000,000 shall be deposited into the family farm tax credit fund in lieu of the standing appropriation made in section 425A.1.

Sec. 502.

1. Notwithstanding the standing appropriation in section 405A.8 to the department of revenue and finance for personal property tax replacement under chapter 405A, there is appropriated from the general fund of the state under section 405A.8 for the fiscal year beginning July 1, 1991, the sum of \$61,934,033.

2. Notwithstanding the standing appropriation in section 425.39, the amount appropriated from the general fund of the state under section 425.39, for the fiscal year beginning July 1, 1991, for purposes of implementing the extraordinary property tax and reimbursement division of chapter 425, shall not exceed \$11,880,300. The director shall pay, in full, all claims to be paid during the fiscal year beginning July 1, 1991, for reimbursement of rent constituting property taxes paid. If the amount of claims for credit for property taxes due to be paid during the fiscal year beginning July 1, 1991, exceed the amount remaining after payment to renters the director of revenue and finance shall prorate the payments to the counties for the

\*Item veto; see message at end of the Act

property tax credit. In order for the director to carry out the requirements of this subsection, notwithstanding any provision to the contrary in sections 425.16 through 425.39, claims for reimbursement for rent constituting property taxes paid filed before May 1, 1992, shall be eligible to be paid in full during the fiscal year ending June 30, 1992, and those claims filed on or after May 1, 1992, shall be eligible to be paid during the fiscal year beginning July 1, 1992, and the director is not required to make payments to counties for the property tax credit before June 15, 1992.

Sec. 503. Notwithstanding the amount of the standing appropriation from the general fund of the state under section 455A.18, subsection 4, there is appropriated from the general fund of the state, in lieu of the appropriation made in section 455A.18, for the fiscal year beginning July 1, 1991, to the Iowa resources enhancement and protection fund the sum of \$10,900,000. However, if moneys from the lottery are appropriated by the state to the Iowa resources enhancement and protection fund, the amount appropriated under this section shall be reduced by the amount appropriated from the lottery.

Sec. 504. 1990 Iowa Acts, chapter 1250, section 18, unnumbered paragraph 2, is amended to read as follows:

For the special mental health services fund:

.....	\$	10,500,000
		<u>10,395,000</u>

*\*Sec. 505. DEPARTMENT OF HUMAN SERVICES. There is appropriated from the general fund of the state to the department of human services for the fiscal year beginning July 1, 1991, and ending June 30, 1992, the following amounts, or so much thereof as is necessary, to be used for the purposes designated:*

1. For payment of expenses and compensation of commission of inquiry commissioners pursuant to section 229.35:

.....	\$	1,000
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2. For payment of transfer expenses of mentally ill persons with no county of legal settlement pursuant to section 230.8 and recovery of such persons' commitment costs pursuant to section 230.11:

.....	\$	107,000*
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Sec. 506. DEPARTMENT OF REVENUE AND FINANCE. There is appropriated from the general fund of the state to the department of revenue and finance for the fiscal year beginning July 1, 1991, and ending June 30, 1992, the following amount, or so much thereof as is necessary, to be used for the purpose designated:

For payment of recording fees pursuant to section 422.26:

.....	\$	50,000
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Sec. 507. Notwithstanding the standing appropriations in the following designated sections for the fiscal year beginning July 1, 1991, the amount appropriated from the general fund of the state pursuant to those sections for the following designated purposes shall not exceed the following amounts:

1. For administering absentee ballots of state residents serving in the armed forces under section 53.50:

.....	\$	2,574
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2. For the reimbursement of fees and charges presented to but not owed the state under section 12.13:

.....	\$	0
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3. For the cost of printing or manufacturing of cigarette and little cigar tax stamps under section 98.7:

.....	\$	126,126
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4. For deposit in and the use of the livestock disease fund under section 267.8:

.....	\$	291,060
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\*Item veto; see message at end of the Act

5. To pay the state's portion of the cost of benefits calculated in section 411.20, subsections 2 and 3, under section 411.20, subsection 1:

..... \$ 3,201,660

6. To reimburse counties for the loss of property tax revenues as follows:

a. Homestead tax credit under section 425.1:

..... \$ 102,960,000

b. Military service tax credit under section 426A.1:

..... \$ 3,069,000

c. Machinery and computer equipment tax replacement under section 427B.13:

..... \$ 0

If the amounts of calculated county reimbursement exceed any of the amounts specified in this subsection the director of revenue and finance shall prorate the amount available.

7. For costs of postconviction relief proceedings pursuant to section 663A.5 and costs and fees of parole revocation proceedings and criminal cases brought against an inmate under section 815.1:

..... \$ 70,000

8. For state employees salary book printing under section 18.75, subsection 8:

..... \$ 4,950

*\*9. To the expenses incurred or costs taxed to the state in a proceeding brought by or against a state department or agency under section 19.10:*

..... \$ 81,180

*10. To pay necessary expenses incurred to perform or cause to be performed any legal duty imposed on the executive council under section 19.29:*

..... \$ 1,881,000\*

11. To pay the cost of public improvement assessments against state-owned land under section 307.45:

..... \$ 0

*\*12. For payment of costs of habeas corpus proceedings where plaintiff is confined in a state institution under section 663.44:*

..... \$ 0

*13. To pay claims and awards against the state under sections 25.2 and 25A.11:*

..... \$ 2,970,000\*

14. For the payment of salary and expenses of a deputy sheriff responsible for law enforcement on the Indian settlement under section 331.660:

..... \$ 24,255

*\*15. For compensation of officers and enlisted men in and the expenses of the national guard under section 29A.29:*

..... \$ 38,808

*16. For payment of workers' compensation claims due employees of the state under section 85.57:*

..... \$ 5,692,500

*17. For deposit into the state communications network fund under section 18.137:*

..... \$ 0

*18. For payment of state school foundation aid under section 257.16, including state aid for increasing enrollment in section 257.13, an amount which equals one-half of one percent less than the amount computed under the state school foundation aid formula.*

*Notwithstanding chapter 257, if the portion of the budget of a school district or area education agency for special education support services to be funded by state aid appropriated under section 257.16 exceeds the amount appropriated under this subsection, the director of the department of management shall allocate state aid payments in the manner provided in this subsection:*

*a. In order to allocate the reduction in the state aid to be paid to area education agencies for special education support services, the director of the department of management shall reduce the state aid paid to each area education agency by one-half of one percent of the special education support services foundation base multiplied by the weighted enrollment in the area education agency.*

\*Item veto; see message at end of the Act

b. The director of the department of management shall determine the amounts to be paid to school districts as an advance for increasing enrollment under section 257.13 and shall reduce those amounts by one-half of one percent.

c. The director of the department of management shall allocate the difference between the money appropriated by this subsection and the total of the state aid payments made to area education agencies for special education support services and the amount paid to school districts as an advance for increasing enrollment. The difference shall be paid to school districts as state school foundation aid. The director of the department of management shall divide the amount to be paid to school districts by the weighted enrollment in the state to determine a per pupil amount of state aid and shall multiply that per pupil amount of state aid by one-half of one percent for the state aid reduction per pupil. The state aid paid to each school district under section 257.16 shall be reduced by an amount equal to the state aid reduction per pupil multiplied by the weighted enrollment of the district. School districts not receiving the entire amount of state school foundation aid under chapter 257 for the budget year beginning July 1, 1991, may use their cash reserve to make up the lost aid and, unless the general assembly prohibits the levy by February 15, 1992, may raise the lost state aid by a cash reserve levy under section 298.10 to replace the state school foundation aid reduction.\*

19. For the payment of claims of public school districts for transportation services to non-public school pupils under section 285.2:

..... \$ 6,156,729

If the claims exceed the amount available under this subsection, the director of the department of education shall prorate the claims of the school districts.

20. To pay instructional support state aid under section 257.20:

..... \$ 12,935,000

If the portion of the budget to be funded by instructional support state aid computed under section 257.20 exceeds the amount available under this subsection, the director of the department of management shall prorate the amount available to the school districts entitled to such aid. School districts not receiving the full amount of such state aid shall not raise the lost state aid by property tax.

21. For payment of franchise tax allocations to cities and counties under section 422.65:

..... \$ 9,702,000

If the amounts to be allocated as computed under section 422.65 to cities and counties exceed the amount available under this subsection, the director of revenue and finance shall prorate the amount to be paid to each city and county.

Sec. 508. Section 97B.72, unnumbered paragraph 2, Code 1991, is amended to read as follows:

There is appropriated from the general fund of the state to the department of personnel moneys available to the general assembly under section 2.12 an amount sufficient to pay the contributions of the employer based on service of the members in an amount equal to the contributions which would have been made if the members of the general assembly who made employee contributions had been members of the system during their service in the general assembly plus two percent interest plus interest dividends for all completed calendar years and for any completed calendar year for which the interest dividend has not been declared and for completed months of partially completed calendar years at two percent interest plus the interest dividend rate calculated for the previous year, compounded annually, from the end of the calendar year in which contribution was made to the first day of the month of such date.

Sec. 509. Section 98.6, subsection 1, Code 1991, is amended to read as follows:

1. There is hereby levied, assessed, and imposed, and shall be collected and paid to the department, the following taxes on all cigarettes used or otherwise disposed of in this state for any purpose whatsoever:

\*Item veto; see message at end of the Act

Class A. On cigarettes weighing not more than three pounds per thousand, ~~six and one-half~~ eighteen mills on each such cigarette.

Class B. On cigarettes weighing more than three pounds per thousand, ~~seven and one-half~~ eighteen mills on each such cigarette.

Sec. 510. Section 98.6, subsection 2, Code 1991, is amended by striking the subsection.

Sec. 511. Section 98.43, subsection 1, unnumbered paragraph 1, Code 1991, is amended to read as follows:

A tax is imposed upon all tobacco products in this state and upon any person engaged in business as a distributor ~~thereof~~ of tobacco products, at the rate of ~~nineteen~~ twenty-two percent of the wholesale sales price of the tobacco products, except little cigars as defined in section 98.42. Little cigars shall be subject to the same rate of tax imposed upon cigarettes in section 98.6, payable at the time and in the manner provided in section 98.6; and stamps shall be affixed as provided in division I of this chapter. The tax on tobacco products, excluding little cigars, shall be imposed at the time the distributor does any of the following:

Sec. 512. Section 98.43, subsection 2, unnumbered paragraph 1, Code 1991, is amended to read as follows:

A tax is imposed upon the use or storage by consumers of tobacco products in this state, and upon the consumers, at the rate of ~~nineteen~~ twenty-two percent of the cost of the tobacco products.

Sec. 513. Section 135D.22, subsection 2, paragraph b, Code 1991, is amended by adding the following new unnumbered paragraph:

NEW UNNUMBERED PARAGRAPH. Notwithstanding the effective date provision in 1990 Iowa Acts, chapter 1250, section 21, this lettered paragraph is effective for mobile home tax claims filed on or after January 1, 1993, and any claims filed under this lettered paragraph before that date shall not be allowed.

*\*Sec. 514. Section 229.35, Code 1991, is amended to read as follows:*

229.35 COMMISSION OF INQUIRY — COMPENSATION — PAYMENT.

Said The commissioners of a commission of inquiry shall be entitled to their necessary expenses and a reasonable compensation, to be allowed by the judge, who shall certify the same amounts to the director of revenue and finance who shall thereupon draw the proper warrants on any funds in the state treasury not otherwise appropriated pay such amounts from moneys appropriated to the department of human services. The applicant shall pay said these costs and expenses if the judge shall so order on a finding that the complaint was filed without probable cause.\*

*\*Sec. 515. Section 230.8, Code 1991, is amended to read as follows:*

230.8 TRANSFERS OF MENTALLY ILL PERSONS — EXPENSES.

The transfer to state hospitals or to the places of their legal settlement of mentally ill persons who have no legal settlement in this state or whose legal settlement is unknown, shall be made according to the directions of the administrator, and when practicable by employees of state hospitals, and the actual and necessary expenses of such these transfers shall be paid on itemized vouchers sworn to by the claimants and approved by the administrator, from any funds in the state treasury not otherwise appropriated to the department of human services.\*

*\*Sec. 516. Section 230.11, Code 1991, is amended to read as follows:*

230.11 RECOVERY OF COSTS FROM STATE.

Costs and expenses attending the taking into custody, care, and investigation of a person who has been admitted or committed to a state hospital, veterans administration hospital or other agency of the United States government, for the mentally ill and who has no legal settlement in this state or whose legal settlement is unknown, including cost of commitment, if any, shall be paid out of any money in the state treasury not otherwise from moneys appropriated to the department of human services, on itemized vouchers executed by the auditor of the county which has paid them, and approved by the administrator.\*

Sec. 517. Section 257.1, subsection 2, unnumbered paragraph 2, Code 1991, is amended to read as follows:

For the budget year commencing July 1, 1991, and for each succeeding budget year the regular program foundation base per pupil is eighty-three and five-tenths percent of the regular program state cost per pupil. For each succeeding budget year, the regular program foundation base shall increase twenty-five hundredths percent per year until the regular program foundation base reaches eighty-five percent of the regular program state cost per pupil, except that the regular program foundation base per pupil for the portion of weighted enrollment that is additional enrollment because of special education is seventy-nine percent of the regular program state cost per pupil. For the budget year commencing July 1, 1991, and for each succeeding budget year the special education support services foundation base is eighty-three and five-tenths seventy-nine percent of the special education support services state cost per pupil. It shall increase at the same rate as the regular program foundation base. The combined foundation base is the sum of the regular program foundation base and the special education support services foundation base.

Sec. 518. Section 257.2, subsection 12, Code 1991, is amended by striking the subsection.

Sec. 519. Section 257.15, subsection 1, Code 1991, is amended by adding the following new unnumbered paragraph:

**NEW UNNUMBERED PARAGRAPH.** For purposes of this subsection, in computing the amount of revenues generated by the foundation property tax and the additional property tax under chapter 442, Code 1989, the computation shall be based on a regular program foundation base per pupil of eighty-three percent of the regular program state cost per pupil except that for the portion of weighted enrollment that is additional enrollment because of special education the regular program foundation base per pupil shall be seventy-nine percent of the regular program state cost per pupil. The special education support services foundation base shall be seventy-nine percent of the special education support services state cost per pupil.

Sec. 520. Section 257.31, subsections 6 and 11, Code 1991, are amended by striking the subsections.

Sec. 521. Section 270.5, Code 1991, is amended to read as follows:

**270.5 CERTIFICATION TO DIRECTOR OF REVENUE AND FINANCE.**

The superintendent shall, on the first days of June and December of each year, certify to the director of revenue and finance the amounts due from the several counties pursuant to sections 270.4 and 270.6, and the director of revenue and finance shall thereupon pass the same to the credit of the institution the amounts due to the general fund of the state, and charge the amount to the proper county.

Sec. 522. Section 422.26, unnumbered paragraph 6, Code 1991, is amended to read as follows:

The department shall pay, from moneys appropriated to the department for this purpose, a recording fee as provided in section 331.604, for the recording of the lien, or for its satisfaction.

Sec. 523. Section 442.3, unnumbered paragraph 1, Code 1991, is amended to read as follows:

The state foundation base for the school year beginning July 1, 1986 is eighty percent of the state cost per pupil. The state foundation base for the school year beginning July 1, 1987 is eighty-one and one-half percent of the state cost per pupil. For each succeeding school year, the state foundation base shall be increased by the amount of one-half percent of the state cost per pupil, up to a maximum of eighty-five eighty-three percent of the state cost per pupil. The district foundation base is the larger of the state foundation base or the amount per pupil which the district will receive from foundation property tax and state school foundation aid.

Sec. 524. Section 425.23, subsection 1, paragraph b, Code 1991, is amended by adding the following new unnumbered paragraph:

**NEW UNNUMBERED PARAGRAPH.** Notwithstanding the effective date provisions in 1990 Iowa Acts, chapter 1250, section 21, this lettered paragraph is effective for property tax claims filed on or after January 1, 1993, and for rent reimbursement claims filed on or after January 1, 1994, and all such claims filed under this lettered paragraph before such dates shall not be allowed.

*\*Sec. 525. Section 820.24, Code 1991, is amended to read as follows:*

**820.24 EXPENSES — HOW PAID.**

*When the punishment of the crime shall be the confinement of the criminal in the penitentiary, the expenses shall be paid out of the state treasury funds appropriated to the office of the governor, on the certificate of the governor and warrant of the director of revenue and finance; and in all other cases they shall be paid out of the county treasury in the county wherein the crime is alleged to have been committed. The expenses shall be the fees paid to the officers of the state on whose governor the requisition is made, and all necessary and actual traveling expenses incurred in returning the prisoner.\**

Sec. 526. Section 906.10, Code 1991, is repealed.

Sec. 527. Sections 509 through 512 of this division take effect June 1, 1991.

Sec. 528. Sections 517, 519, and 523 of this division, being deemed of immediate importance, take effect upon enactment.

Sec. 529. Sections 513 and 524 of this division, being deemed of immediate importance, take effect upon enactment and apply retroactively to January 1, 1991.

DIVISION VI  
MISCELLANEOUS CODE CHANGES

*\*Sec. 601. Section 18.12, Code 1991, is amended by adding the following new subsection:  
NEW SUBSECTION. 18A. Establish fee schedules for use of facilities which are funded through the sale of tax-exempt investments such as those which the treasurer of state is authorized to invest in under section 261.38, subsection 5. Revenue received as a result of the fee schedules shall be used to repay tax-exempt investments for the facility for which the fees are charged.\**

Sec. 602. Section 18.117, unnumbered paragraph 1, Code 1991, is amended to read as follows:

A state officer or employee shall not use a state-owned motor vehicle for personal private use, nor shall the officer or employee be compensated for driving a privately owned motor vehicle unless it is done on state business with the approval of the state vehicle dispatcher, and in that case the officer or employee shall receive ~~twenty-one cents per mile~~ an amount to be determined by the state which may be the maximum allowable under the federal internal revenue service rules per mile, notwithstanding established mileage requirements or depreciation allowances. A statutory provision stipulating necessary mileage, travel, or actual expenses reimbursement to a state officer falls under the mileage reimbursement limitation provided in this section unless specifically provided otherwise. Any peace officer employed by the state as defined in section 801.4 who is required to use a private vehicle in the performance of official duties shall receive reimbursement for mileage expense at the rate specified in this section. However, the state vehicle dispatcher may delegate authority to officials of the state, and department heads, for the use of private vehicles on state business up to a yearly mileage figure established by the director of general services. If a state motor vehicle has been assigned to a state officer or employee, the officer or employee shall not collect mileage for the use of a privately owned vehicle unless the state vehicle assigned is not usable.

Sec. 603. Section 73.7, Code 1991, is amended by adding the following new unnumbered paragraph:

**NEW UNNUMBERED PARAGRAPH.** Notwithstanding the provisions of this chapter or other statutes, a governing body of the state, in its sole discretion, is permitted to enter into negotiations with a supplier of coal produced within the state of Iowa in order to modify an existing contract for the purchase of coal. The governing body and the supplier may modify the contract in any manner mutually agreed upon.

\*Item veto; see message at end of the Act

Sec. 604. Section 79.9, Code 1991, is amended to read as follows:

**79.9 CHARGE FOR USE OF AUTOMOBILE BY OTHER THAN STATE OFFICER OR EMPLOYEE.**

When a public officer or employee, other than a state officer or employee, is entitled to be paid for expenses in performing a public duty, a charge shall be made, allowed and paid for the use of an automobile, as determined by the local governing body, in an amount ~~not exceeding twenty-one cents per mile~~ which may be the maximum allowable under federal internal revenue service rules per mile, notwithstanding established mileage requirements or depreciation allowances. A statutory provision stipulating necessary mileage, travel, or actual reimbursement to a local public officer or employee falls within the mileage reimbursement limitation specified in this section unless specifically provided otherwise. A political subdivision may authorize the use of private vehicles for the conduct of official business of the political subdivision at an annual amount in lieu of actual and necessary travel expense reimbursement provided in this section. A peace officer, other than a state officer or employee, as defined in section 801.4 who is required to use a private vehicle in the performance of official duties shall receive reimbursement for mileage expense at the rate specified in this section.

Sec. 605. Section 99F.10, subsection 4, Code 1991, is amended to read as follows:

4. In determining the license fees and state admission fees to be charged as provided under section 99F.4 and this section, the commission shall use the amount appropriated to the commission plus the cost of auditing excursion gambling boat activities as the basis for determining the amount of revenue to be raised from the license fees and admission fees.

Sec. 606. Section 106.78, subsections 1 and 5, Code 1991, are amended to read as follows:

1. a. The county recorder shall charge a five dollar fee to issue a certificate of title, a transfer of title, a duplicate, or a corrected certificate of title.

b. In addition to the fee required under paragraph "a", and sections 106.82 and 106.84, a surcharge of five dollars shall be required.

5. The funds collected under ~~this section~~ subsection 1, paragraph "a" shall be placed in the general fund of the county and used for the expenses of the county conservation board if one exists in that county. Of each surcharge collected as required under subsection 1, paragraph "b", the county recorder shall remit five dollars to the office of treasurer of state for deposit in the general fund of the state.

Sec. 607. NEW SECTION. 321.52A CERTIFICATE OF TITLE SURCHARGE.

In addition to the fee required for the issuance of a certificate of title under section 321.20, 321.23, 321.42, 321.46, 321.47, 321.48, 321.50, or 321.52, a surcharge of five dollars shall be required. Of each surcharge collected under those sections, the county treasurer shall remit five dollars to the office of treasurer of state for deposit in the general fund of the state.

Sec. 608. Section 321.152, subsections 1 and 2, Code 1991, are amended to read as follows:

1. ~~Two point six~~ Four and one-quarter percent of the total collection for each annual or semi-annual vehicle registration and each duplicate registration card or plate issued.

2. ~~Twenty percent of all fees~~ Two dollars and fifty cents from each fee collected for certificates of title.

Sec. 609. Section 425A.2, subsection 1, Code 1991, is amended by striking the subsection and inserting in lieu thereof the following:

1. "Actively engaged in farming" means the designated person is personally involved in the production of crops and livestock on the eligible tract on a regular, continuous, and substantial basis. However, a lessor, whether under a cash or a crop share lease, is not actively engaged in farming on the area of the tract covered by the lease. This provision applies to both written and oral leases.

Sec. 610. Section 425A.2, subsection 4, Code 1991, is amended by striking the subsection and inserting in lieu thereof the following:

4. "Eligible tract" or "eligible tract of agricultural land" means an area of agricultural land which meets all of the following:

a. Is comprised of all of the contiguous tracts under identical legal ownership that are located within the same county.

b. In the aggregate more than half the acres of the contiguous tract is devoted to the production of crops or livestock by a designated person who is actively engaged in farming.

c. For purposes of paragraph "b", if some or all of the contiguous tract is being farmed under a lease arrangement, the activities of the lessor do not constitute being actively engaged in farming on the areas of the tract covered by the lease. If the lessee is a designated person who is actively engaged in farming, the acres under lease may be considered in determining whether more than half the acres of the contiguous tract are devoted to the production of crops or livestock.

Sec. 611. Section 425A.2, Code 1991, is amended by adding the following new subsection: NEW SUBSECTION. 6. "Designated person" means one of the following:

a. If the owner is an individual, the designated person includes the owner of the tract or a person related to the owner as spouse, parent, grandparent, child, grandchild, stepchild, and their spouses.

b. If the owner is a partnership, a partner, or the partner's spouse.

c. If the owner is a family farm corporation, a family member who is a shareholder of the family farm corporation or the shareholder's spouse.

d. If the owner is an authorized farm corporation, a shareholder who owns at least fifty-one percent of the stock of the authorized farm corporation or the shareholder's spouse.

Sec. 612. Section 425A.3, subsection 2, Code 1991, is amended by striking the subsection and inserting the following:

2. An eligible tract of agricultural land qualifies for the credit computed under subsection 1 if the tract is owned by an owner as defined in section 425A.2 and a designated person is actively engaged in farming during the fiscal year preceding the fiscal year in which the auditor computes the amount of the credit under section 425A.5 for which the tract would be eligible. Notwithstanding the foregoing sentence, the "actively engaged in farming" requirement is satisfied if the designated person is in general control of the tract under a federal program pertaining to agricultural land.

Sec. 613. Section 425A.3, subsection 3, Code 1991, is amended by striking the subsection and inserting in lieu thereof the following:

3. The county board of supervisors shall determine the eligibility of each tract for which an application is received.

Sec. 614. Section 425A.4, subsection 1, Code 1991, is amended by striking the subsection and inserting in lieu thereof the following:

1. To apply for the credit, the person shall each year between July 1 and October 15 deliver to the county assessor a verified statement and designation of the tracts of agricultural land for which the credit is claimed. The assessor shall return the statement and designation on or before November 15 of each year to the county board of supervisors with a recommendation for allowance or disallowance.

Sec. 615. Section 425A.4, subsection 2, Code 1991, is amended to read as follows:

2. The county board of supervisors in each county shall examine all claims delivered to county assessors, and shall either allow or disallow the claims, and if disallowed shall send notice of disallowance by ~~certified~~ regular mail to the claimant at the claimant's last known address. The claimant may appeal the decision of the board to the district court in which the tract for which the credit is claimed is situated by giving written notice of the appeal to the county ~~assessor~~ board of supervisors within twenty days from the date of the mailing of the notice of the ~~decision of the board of supervisors.~~

Sec. 616. Section 425A.5, Code 1991, is amended to read as follows:  
425A.5 COMPUTATION BY AUDITOR — APPEAL.

The family farm tax credit allowed each year shall be computed as follows: On or before ~~June~~ March 1, the county auditor shall list by school districts all tracts of agricultural land which are entitled to credit, the taxable value for the previous year, the budget from each school district for the previous year, and the tax rate determined for the general fund of the school district in the manner prescribed in section 444.3 for the previous year, and if the tax rate is in excess of five dollars and forty cents per thousand dollars of assessed value, the auditor shall multiply the tax levy which is in excess of five dollars and forty cents per thousand dollars of assessed value by the total taxable value of the agricultural land entitled to credit in the school district, and on or before ~~June~~ March 1, certify the total amount of credit and the total number of acres entitled to the credit to the department of revenue and finance.

Sec. 617. Section 425A.6, Code 1991, is amended to read as follows:  
425A.6 WARRANTS DRAWN BY DIRECTOR.

After receiving from the county auditors the certifications provided for in section 425A.5, and during the following fiscal year, the director of revenue and finance shall draw warrants on the family farm tax credit fund created in section 425A.1, payable to the county treasurers in the amount certified by the county auditors of the respective counties and mail the warrants to the county auditors on ~~August 15~~ June 1 of each year taking into consideration the relative budget and cash position of the state resources. However, if the family farm tax credit fund is insufficient to pay in full the total of the amounts certified to the director of revenue and finance, the director shall prorate the fund to the county treasurers and shall notify the county auditors of the pro rata percentage on or before ~~August~~ June 1.

Sec. 618. Section 554.9401, Code 1991, is amended by adding the following new subsection:  
NEW SUBSECTION. 6. Of each fee collected by the county recorder under sections 570A.4, 554.9403, 554.9405, and 554.9406, the county recorder shall remit five dollars, if filed on a standard form or six dollars otherwise, to the office of the treasurer of state for deposit in the general fund of the state.

Sec. 619. Section 554.9403, subsection 5, paragraphs a and b, Code 1991, are amended to read as follows:

- a. ~~Five~~ Ten dollars for an original financing statement if the statement is in the standard form prescribed by the secretary of state, and otherwise ~~six~~ twelve dollars.
- b. ~~Five~~ Ten dollars for a continuation statement if the statement is in the standard form prescribed by the secretary of state, and otherwise ~~six~~ twelve dollars.

Sec. 620. Section 554.9404, subsection 3, Code 1991, is amended to read as follows:  
3. There shall be ~~no~~ a ten-dollar fee for filing a termination statement.

Sec. 621. Section 554.9405, subsections 1 and 2, Code 1991, are amended to read as follows:

1. A financing statement may disclose an assignment of a security interest in the collateral described in the financing statement by indication in the financing statement of the name and address of the assignee or by an assignment itself or a copy thereof on the face or back of the statement. On presentation to the filing officer of such a financing statement the filing officer shall mark the same as provided in section 554.9403, subsection 4. The uniform fee for filing, indexing and furnishing filing data for a financing statement so indicating an assignment on a form conforming to standards prescribed by the secretary of state shall be ~~five~~ ten dollars, or if such statement otherwise conforms to the requirements of this section, ~~six~~ twelve dollars.

2. A secured party may assign of record all or a part of the rights under a financing statement by the filing in the place where the original financing statement was filed of a separate written statement of assignment signed by the secured party of record and setting forth the name of the secured party of record and the debtor, the file number and the date of filing of the financing statement and the name and address of the assignee and containing a description of the collateral assigned. A copy of the assignment is sufficient as a separate statement if it complies with the preceding sentence. On presentation to the filing officer of such a separate statement, the filing officer shall mark such separate statement with the date and hour of the filing. The filing officer shall note the assignment on the index of the financing statement, or in the case of a fixture filing, or a filing covering timber to be cut, or covering minerals or the like (including oil and gas) or accounts subject to section 554.9103, subsection 5, the filing officer shall index the assignment under the name of the assignor as grantor and, to the extent that the law of this state provides for indexing the assignment of a mortgage under the name of the assignee, the filing officer shall index the assignment of the financing statement under the name of the assignee. The uniform fee for filing, indexing and furnishing filing data about such a separate statement of assignment on a form conforming to standards prescribed by the secretary of state shall be five ten dollars, or if such statement otherwise conforms to the requirements of this section, ~~six~~ twelve dollars. Notwithstanding the provisions of this subsection, an assignment of record of a security interest in a fixture contained in a mortgage effective as a fixture filing (section 554.9402, subsection 6), may be made only by an assignment of the mortgage in the manner provided by the law of this state other than this chapter.

For financing statements covering fixture filings, changes in the filings, and termination of the filings, an additional fee shall be charged for recording in an amount specified in section 331.604.

Sec. 622. Section 554.9406, Code 1991, is amended to read as follows:

**554.9406 RELEASE OF COLLATERAL — DUTIES OF FILING OFFICER — FEES.**

A secured party of record may by a signed statement release all or a part of any collateral described in a filed financing statement. The statement of release is sufficient if it contains a description of the collateral being released, the name and address of the debtor, the name and address of the secured party, and the file number of the financing statement. A statement of release signed by a person other than the secured party of record must be accompanied by a separate written statement of assignment signed by the secured party of record and complying with section 554.9405, subsection 2, including payment of the required fee. Upon presentation of such a statement of release the filing officer shall mark the statement with the hour and date of filing and shall note the same upon the margin of the index of the filing of the financing statement. The uniform fee for filing and noting such a statement of release on a form conforming to standards prescribed by the secretary of state shall be five ten dollars, or if such statement otherwise conforms to the requirements of this section, ~~six~~ twelve dollars.

Sec. 623. Section 556.2, subsection 1, unnumbered paragraph 1, Code 1991, is amended to read as follows:

Any demand, savings, or matured time deposit made in this state with a banking organization, together with any interest or dividend, excluding any charges that may lawfully be withheld, unless the owner has, within five three years:

Sec. 624. Section 556.2, subsection 2, unnumbered paragraph 1, Code 1991, is amended to read as follows:

Any funds paid in this state toward the purchase of shares or other interest in a financial organization or any deposit made in this state, and any interest or dividends, excluding any charges that may lawfully be withheld, unless the owner has within five three years:

Sec. 625. Section 556.2, subsections 4, 5, and 6, Code 1991, are amended to read as follows:

4. Any sum payable on checks certified in this state or on written instruments issued in this state on which a banking or financial organization or business association is directly liable, including, by way of illustration but not of limitation, certificates of deposit, drafts, money orders, and traveler's checks, that, with the exception of traveler's checks, has been outstanding for more than five three years from the date it was payable, or from the date of its issuance if payable on demand, or, in the case of traveler's checks, that has been outstanding for more than fifteen years from the date of its issuance, unless the owner has within five three years, or within fifteen years in the case of traveler's checks, corresponded in writing with the banking or financial organization or business association concerned, or otherwise indicated an interest as evidenced by a memorandum on file with the banking or financial organization or business association. The memorandum shall be dated and may have been prepared by the banking or financial organization or business association, in which case it shall be signed by an officer of the banking or financial organization, or a member of the business association, or it may have been prepared by the owner.

5. Any funds or other personal property, tangible or intangible, removed from a safe deposit box or any other safekeeping repository or agency or collateral deposit box in this state on which the lease or rental period has expired due to nonpayment of rental charges or other reason, or any surplus amounts arising from the sale thereof pursuant to law, that have been unclaimed by the owner for more than five three years from the date on which the lease or rental period expired.

6. A banking organization or financial organization shall send to the owner of each account, to which none of the actions specified in paragraphs "a" through "d" of subsection 1 or "a" through "d" of subsection 2 have occurred during the preceding five three calendar years, a notice by certified mail stating in substance the following:

"According to our records, we have had no contact with you regarding (describe account) for more than five three years. Under Iowa law, if there is a period of five three years without contact, we may be required to transfer this account to the custody of the treasurer of state of Iowa as unclaimed property. You may prevent this by taking some action, such as a deposit or withdrawal, which indicates your interest in this account or by signing this form and returning it to us.

I desire to keep the above account open and active.

.....  
Your signature"

The notice required under this section shall be mailed within thirty days of the lapse of the five-year three-year period in which there is no activity. The cost of the certified mail of the notice required in this section may be deducted from the account by the banking or financial organization.

Sec. 626. Section 556.3, subsection 2, Code 1991, is amended to read as follows:

2. "Unclaimed funds," as used in this section, means all moneys held and owing by any life insurance corporation unclaimed and unpaid for more than five three years after the moneys became due and payable as established from the records of the corporation under any life or endowment insurance policy or annuity contract which has matured or terminated. A life insurance policy not matured by actual proof of the death of the insured is deemed to be matured and the proceeds thereof are deemed to be due and payable if the policy was in force when the insured attained the limiting age under the mortality table on which the reserve is based and shall be presumed abandoned and to be unclaimed funds as defined in this section if unclaimed and unpaid for more than two years thereafter, unless the person appearing entitled thereto has within the two-year period assigned, readjusted, or paid premiums on the policy, or subjected the policy to loan or corresponded in writing with the life insurance corporation concerning the policy. Moneys otherwise payable according to the records of the corporation are deemed due and payable although the policy or contract has not been surrendered as required.

Sec. 627. Section 556.4, Code 1991, is amended to read as follows:

**556.4 DEPOSITS AND REFUNDS HELD BY UTILITIES.**

The following funds held or owing by any utility are presumed abandoned:

1. Any deposit made by a subscriber with a utility to secure payment for, or any sum paid in advance for, utility services to be furnished in this state, less any lawful deductions, that has remained unclaimed by the person appearing on the records of the utility entitled to the deposit for more than ~~two years~~ one year after the termination of the services for which the deposit or advance payment was made.

2. Any sum which a utility has been ordered to refund and which was received for utility services rendered in this state, together with any interest on the refund, less any lawful deductions, that has remained unclaimed by the person appearing on the records of the utility entitled to the refund for more than ~~two years~~ one year after the date it became payable in accordance with the final determination or order providing for the refund.

Sec. 628. Section 556.5, subsection 6, Code 1991, is amended to read as follows:

6. Any stock or other certificate of ownership, or any dividend, profit, distribution, interest, payment on principal, or other sum held or owing by a business association for or to a shareholder, certificate holder, member, bondholder, or other security holder, or a participating patron of a cooperative, who has not claimed it, or corresponded in writing with the business association concerning it, within ~~five~~ three years after the date prescribed for payment or delivery, is presumed abandoned.

Sec. 629. Section 556.7, unnumbered paragraph 1, Code 1991, is amended to read as follows:

All intangible personal property and any income or increment thereon, held in a fiduciary capacity for the benefit of another person is presumed abandoned unless the owner has, within ~~five~~ three years after it becomes payable or distributable, increased or decreased the principal, accepted payment of principal or income, corresponded in writing concerning the property, or otherwise indicated an interest as evidenced by a memorandum on file with the fiduciary which shall have been dated and may have been prepared by the fiduciary or by the owner:

Sec. 630. Section 570A.4, subsection 4, Code 1991, is amended to read as follows:

4. The secretary of state shall note the filing of a lien statement under this section in the manner provided by chapter 554, the uniform commercial code, and shall charge a ~~five dollar~~ five dollar filing fee if the statement is the standard form prescribed by the secretary of state, and otherwise a fee of ~~six dollars~~ as provided under section 554.9403.

Sec. 631. 1991 Iowa Acts, Senate File 452,\* section 10, subsection 3, unnumbered paragraph 1, is amended by striking the paragraph and inserting in lieu thereof the following:

The convention shall provide for staggered terms of office for directors elected pursuant to this Act. Notwithstanding section 173.6, an original director may serve an unlimited number of terms.

**\*\*Sec. 632. PARTICIPATION IN STATE HEALTH OR MEDICAL INSURANCE PROGRAMS BY RETIREES BETWEEN THE AGES OF FIFTY-FIVE AND SIXTY-FIVE.**

1. As used in this section, unless the context otherwise requires:

a. "Health or medical insurance program" means a state health or medical group insurance plan for employees of the state.

b. "Member" means a member of the Iowa public employees' retirement system, who at the date of termination of employment is receiving full health or medical insurance benefits under the state's programs and is not receiving disability payments under the state employees' disability insurance program.

\*Chapter 248 herein

\*\*Item veto; see message at end of the Act

2. A member with at least ten years of membership service who retires on or after August 1, 1991, and before August 1, 1993, who applies to receive retirement benefits under this chapter prior to August 1, 1993, who has attained at least the age of fifty-five but is under the age of sixty-five at the time of retirement, and who was a participant in a health or medical insurance program in which the state makes contributions at the time of retirement, may continue to participate in that state health or medical insurance program as authorized by law. However, notwithstanding any other provision of law to the contrary, the state shall continue to pay the employer's portion of the premium under the program for the retiree at the rate paid for full-time state employees until the retiree discontinues participation in the program or attains the age of sixty-five, whichever occurs first. However, in order to have the state continue to pay the employer's portion of the premium, the member must send written notification to the department of personnel at any time from July 1, 1991, through April 1, 1992, of the intent to retire and the anticipated date of retirement.

3. If a member continues participation in a health or medical insurance program and the state pays premiums as authorized in subsection 2, the member is not eligible to accept further employment in which the state or a political subdivision of the state is the employer.

4. A state department shall not be required to delete more than its proportionate share of all general fund positions vacated due to the incentive for retirement established in subsection 2. All positions vacated by a member exercising the rights established in subsection 2 shall be deleted, and the savings, as determined by the department of management, shall revert to the general fund of the state in a manner specified by the department of management, except that the portion of the savings which represents the cost of the employer's portion of a member's premium payable under this section shall not revert but shall be transferred to the department of personnel to defray the costs of implementing this section. However, if an affected department determines that the vacancy may be detrimental to critical services provided to the public, the affected department may, with the approval of the department of management, exchange a position or positions determined by the department of management to be of an equal value, to be deleted. If a position is not available for exchange, the department may, with the approval of the director of the department of management, retain and fill the position.\*

Sec. 633. It is the intent of the general assembly, in the event that revenue estimates decline, that the governor consider making selective recommendations to a special session of the general assembly prior to exercising the authority under section 8.31. Further, that a reduction in spending shall not exceed 1 percent for a decline in revenues of \$33,000,000, or 2 percent for a decline in revenues of \$66,000,000.

Sec. 634. It is the intent of the general assembly that beginning with the fiscal year beginning July 1, 1992, the governor shall propose and the general assembly shall pass a budget in which ongoing expenditures do not exceed ongoing revenues.

DIVISION VII  
MISCELLANEOUS APPROPRIATIONS

Sec. 701. 1991 Iowa Acts, Senate File 529,\*\* section 102, subsection 1, is amended to read as follows:

1. For salaries, support, maintenance, and miscellaneous purposes for the general office of the governor and the general office of the lieutenant governor, and for not more than the following full-time equivalent positions:

	\$	993,462
		1,033,462
	FTEs	17.00

Sec. 702. 1991 Iowa Acts, Senate File 529,\*\* section 114, subsection 1, is amended to read as follows:

1. AUDIT AND COMPLIANCE

For salaries, support, maintenance, and miscellaneous purposes:

\*Item veto; see message at end of the Act  
\*\*Chapter 268 herein

.....	\$	10,825,147
.....		<u>7,989,147</u>

Sec. 703. 1991 Iowa Acts, Senate File 529,\* section 116, unnumbered paragraph 2, is amended to read as follows:

For salaries, support, maintenance, miscellaneous purposes, and for not more than the following full-time equivalent positions:

.....	\$	7,050,932
.....		<u>7,440,932</u>
.....	FTEs	138.55

*Approved May 31, 1991, except the items which I hereby disapprove and which are designated as Section 103, subsection 8 in its entirety; Section 103, subsection 10 in its entirety; Section 103, subsection 13 in its entirety; Section 103, subsection 16 in its entirety; Sections 105 and 106 in their entirety; that portion of Section 114, subsection 1 which is herein bracketed in ink and initialed by me; Section 114, subsections 6, 7, and 8 in their entirety; that portion of Section 114, subsection 14 which is herein bracketed in ink and initialed by me; Section 120, subsection 2 in its entirety; Section 125, subsection 4 in its entirety; that portion of Section 129, subsection 3 which is herein bracketed in ink and initialed by me; Section 130, subsection 4 in its entirety; Section 132, subsection 1, paragraph c in its entirety; that portion of Section 132, subsection 1, paragraph h which is herein bracketed in ink and initialed by me; Section 132, subsections 2 and 3 in their entirety; section 137 in its entirety; Section 206 in its entirety; Section 210, subsection 1, paragraph a, unnumbered and unlettered subparagraphs 1 and 2 in their entirety; Section 212, subsection 1 in its entirety; those portions of Section 212, subsection 2 which are herein bracketed in ink and initialed by me; Section 213, in its entirety; Section 214, subsection 2, unnumbered and unlettered paragraph 2 in its entirety; Section 214, subsection 9 in its entirety; Section 229 in its entirety; Section 231 in its entirety; Section 234 in its entirety; Sections 250, 251, 252, and 253 in their entirety; Section 255 in its entirety; Section 303, subsection 2 in its entirety; Sections 411 and 412 in their entirety; Sections 416, 417, 418, and 419 in their entirety; Section 423 in its entirety; Section 505 in its entirety; Section 507, subsections 9 and 10 in their entirety; Section 507, subsections 12 and 13 in their entirety; Section 507, subsections 15, 16, 17, and 18 in their entirety; Sections 514, 515, and 516 in their entirety; Section 525 in its entirety; Section 601 in its entirety; and Section 632 in its entirety. My reasons for vetoing these items are delineated in the item veto message pertaining to this Act to the Secretary of State this same date, a copy of which is attached hereto.*

TERRY E. BRANSTAD, Governor

Dear Madam Secretary:

I hereby transmit House File 479, an Act relating to appropriations for state departments, agencies, programs, funds, including the department of human services, education programs and agencies, the department of economic development, justice-related programs and agencies, and INTERNET, and adjusting the school foundation aid program, adjusting certain standing appropriations, increasing the cigarette and tobacco products tax, providing for certain fees, decreasing the time period for declaring certain funds unclaimed, making relating statutory changes, and providing for effective and applicability dates.

This Act appropriates funds for a significant share of the entire state budget. I have several significant concerns with this bill, and have tried to address them to the extent of my authority. Spending reductions achieved by my action on this Act total \$16.8 million.

I am disappointed that the General Assembly failed to come to grips with the magnitude of the financial circumstances we face. In addition to appropriating moneys for a salary increase

\*Chapter 268 herein

which the state of Iowa cannot afford, the General Assembly has deliberately underfunded several human services entitlements and has provided funding for new programs which is not available. If enacted in its current form, House File 479 would result in at least \$12 million in known future supplemental appropriations. Where possible, the language that creates these deficits has been disapproved, thus in some cases freezing the amounts for reversion to the general fund and in others preventing future supplementals. These savings amount to \$6.1 million.

Furthermore, this Act does not provide sufficient funding to adequately fund some standing appropriations. Most standing unlimited appropriations exist because they are legal obligations of the state that occur in amounts that are not predictable.

The state is still liable for the expense unless the statutory requirements which create those expenses are changed. Therefore, the amount "saved" through this budget practice may not materialize. I have disapproved these items where appropriate and necessary to return them to the status of standing unlimited appropriations.

The total amount spent in this Act and its companion, Senate File 529, far exceeds the resources available for fiscal year 1992. Given the revised revenue estimates for fiscal years 1991 and 1992, an adjustment which the General Assembly was forewarned of prior to adjournment, it will be necessary to employ an across-the-board cut to balance the budget in fiscal year 1992. Because of the certainty of an across-the-board cut, I have also disapproved several provisions in order to assure that funding for education will not be reduced disproportionately.

House File 479 is, therefore, approved on this date with the following exceptions which I hereby disapprove.

I am unable to approve the item designated as Section 103, subsection 8, in its entirety. This provision would provide medical assistance coverage for adult pancreas and liver transplants. Similar language which was included in Senate File 532 was disapproved earlier this year. As stated in the message to Senate File 532, the safety, effectiveness and reasonableness of adult liver transplants is clearly established and recognized by Medicare while pancreas transplants are still considered investigational. House Joint Resolution 10 provides for the payment of adult liver transplants, therefore, the effect of this item veto is to only disallow coverage of adult pancreas transplants.

I am unable to approve the item designated as Section 103, subsection 10, in its entirety. This provision would appropriate \$28,000 to fund the Prevention of Disabilities Council established in Senate File 342. This funding would duplicate the appropriation contained in Senate File 342 which I have already approved.

I am unable to approve the item designated as Section 103, subsection 13, in its entirety. Copayments were recommended and approved beginning in fiscal year 1991 to apply to all mandatory provider groups under the Medicaid program. This provision would eliminate copayments for services from all mandatory provider groups except physicians. Requiring copayments for services provides an incentive to Medicaid recipients not to overuse services. The copayment requirement should not be limited to physicians.

I am unable to approve the item designated as Section 103, subsection 16, in its entirety. This section would provide \$25,000 to study the efficacy of providing nurse midwife services to Medicaid recipients. Federal law currently requires payment for certified nurse midwife services under the Medicaid program, therefore, the state's limited resources should not be used to study a service that is already being provided.

I am unable to approve the items designated as Sections 105 and 106, in their entirety. These provisions would create new programs to provide health insurance continuation assistance and other support services for persons with HIV and AIDS at a total cost of \$120,000. While there

is merit in both of these programs, state funds are not available to start new programs at this time. I have directed the Department of Public Health to consider including both programs in its next grant application for federal HIV/AIDS funding. This would add to the medical and support services available to persons with HIV/AIDS through the Medicaid and community based waiver program.

I am unable to approve the designated portion of Section 114, subsection 1. This provision would require the department to establish thirty additional enhanced residential treatment beds for children in foster care. The estimated cost for this proposal may exceed \$1 million, which would create further deficits in the foster care program.

I am unable to approve the item designated as Section 114, subsection 6, in its entirety. This provision would authorize the expansion of services available under Medicaid for day treatment services provided by psychiatric medical institutions for children. I cannot support adding new services to the Medicaid program, particularly when no additional dollars were provided to fund them.

I am unable to approve the items designated as Section 114, subsections 7 and 8, in their entirety. These provisions would require the Department of Human Services to develop a therapeutic foster care pilot program at a total cost of nearly \$515,000 including evaluation. Again, this is a new program which the state simply cannot afford at this time.

I am unable to approve the designated portion of Section 114, subsection 14. This provision would apportion to providers any excess federal dollars received as a result of changes in the group foster care maintenance and service definitions. This provision would be difficult to implement since the federal funds received would not be known until late in the year or possibly next year. In any event, should a surplus occur, the funding that remains should revert and be subject to the regular appropriation process.

I am unable to approve the item designated as Section 120, subsection 2, in its entirety. This provision would transfer \$40,000 from the Veterans Home appropriation to the Veterans Affairs Division of Public Defense to computerize Veterans Affairs records. Given the fiscal constraints at this time, spending for this purpose cannot be approved.

I am unable to approve the item designated as Section 125, subsection 4, in its entirety. This provision directs the Department of Human Services to adopt rules providing for reimbursement of supervised apartment living and cooperative housing arrangements under state supplementary assistance effective July 1, 1992. While the language in this provision suggests that the supplemental per diem would be available only in situations involving certain populations of persons receiving state supplementary services, it would have to be extended to all supplemental security income eligible persons receiving services in those facilities. Estimates of providing supplemental payments to all who would be eligible are as high as \$11.7 million, far beyond the state's ability to fund.

I am unable to approve the designated portion of Section 129, subsection 3. This provision authorizes the Department of Human Services to hire additional field staff regardless of the budget impact. The department should fill field staff positions as the need arises and in accordance with the process that applies to all agencies of state government. I cannot approve provisions which would cause the department to exceed its authorized spending level.

I am unable to approve the item designated as Section 130, subsection 4, in its entirety. This provision would authorize the Developmental Disabilities Council to spend \$30,000 of state funds on a computerized information and referral project. This program has been funded with federal dollars in the past. Given the current fiscal constraints, spending for this purpose cannot be approved.

I am unable to approve the item designated as Section 132, subsection 1, paragraph c, in its entirety. This section would provide a differential per diem for new short-term services provided by psychiatric medical institutions for children at up to 120 percent of the current level of reimbursement. The estimated cost of providing this higher level of payment is approximately \$286,000 for which no appropriation is provided.

I am unable to approve the designated portion of Section 132, subsection 1, paragraph h. This provision would allow the rate of reimbursement to nursing facilities to range up to the 74th percentile if funds are available. Since the availability of "excess" funds to increase the reimbursement rate cannot be determined until the end of the fiscal year, any adjustment would be more appropriately handled in the budget for next year.

I am unable to approve the items designated as Section 132, subsections 2 and 3, in their entirety. These provisions would provide a two percent increase for state supplementary assistance providers. The estimated cost of providing this increase is \$2,900,000, for which no appropriation was provided.

I am unable to approve the item designated as Section 137, in its entirety. This provision would rescind a rule requiring the Department of Human Services to reimburse vendors directly for the cost of providing transportation to nursing residents who utilize their services to obtain medical care. These costs can be and are included by most nursing facilities in their costs which are submitted to the department and which are used to determine their reimbursement from the state.

I am unable to approve the item designated as Section 206, in its entirety. This provision would reduce the educational excellence program by \$6,118,962. This program is the most important initiative for improving the quality of education in Iowa and it would be a mistake to significantly reduce the level of funding to it.

I am unable to approve the item designated as Section 210, subsection 1, paragraph a, unnumbered and unlettered subparagraph 1. This provision would prohibit the Board of Regents from seeking reimbursement from the institutions to finance critical leadership activities by the board.

I am unable to approve the item designated as Section 210, subsection 1, paragraph a, unnumbered and unlettered subparagraph 2. This provision would require the Board of Regents to permit KUNI to broadcast in the Central Iowa area. This proposal should be submitted to the Board of Regents for consideration and the board should determine whether the proposal is appropriate for the entire public radio network in the state.

I am unable to approve the item designated as Section 212, subsection 1, in its entirety, and the designated portions of Section 212, subsection 2, which contain salary policy for professional and scientific staff and faculty under the Board of Regents. The language requires payment of the arbitrator's award to the United Faculty at the University of Northern Iowa, while providing a lesser salary increase to faculty at the University of Iowa and Iowa State University. I am unable to approve these provisions for the same reasons indicated in the veto message for Senate File 548. By disapproving these provisions, the Regents will revert \$10.6 million to the general fund of the state at the end of fiscal year 1992.

I am unable to approve the item designated as Section 213, in its entirety. This provision requires the Board of Regents to borrow funds to finance energy conservation projects which have an average payback period of six years. The Board of Regents should not be required to bond for these projects when they have other options available for this purpose.

I am unable to approve the item designated as Section 214, subsection 2, unnumbered and unlettered paragraph 2, in its entirety. This provision would appropriate \$10,000 to the State Historical Society to operate and maintain Plum Grove. Plum Grove is a property of the Department of Natural Resources. While I support a transfer of this responsibility to the Department of Cultural Affairs, given the state's fiscal condition, I cannot approve this appropriation.

I am unable to approve the item designated as Section 214, subsection 9, in its entirety. This provision appropriates \$30,000 to the Danish Heritage Museum. The museum has received \$99,000 in the past four years from the Historic Resource Development Program and state cultural grants. Both of these funding sources will be available to the museum in fiscal year 1992.

I am unable to approve the item designated as Section 229, in its entirety. This provision requires the Iowa College Student Aid Commission to reduce the amount of subvention paid for the Osteopathic Subvention Program. The amount of the reduction would be twice as much as provided under current law when the Osteopathic School does not meet a specified level of resident enrollment. This creates an unfair, double penalty.

I am unable to approve the items designated as Sections 231 and 601, in their entirety. These provisions would allow the State Treasurer to invest up to forty percent of the Loan Reserve Fund of the Iowa College Student Aid Commission in tax exempt investments issued by an agency of the state for the construction or improvement of state facilities and would allow the Department of General Services to establish fee schedules for the use of those facilities. The State Treasurer already has full authority to make prudent investments of the Loan Reserve Funds. With the recent collapse of the nation's largest student loan guarantor, the financial community has become extremely sensitive about the solvency of loan reserve funds.

I am unable to approve the item designated as Section 234, in its entirety. This provision would require the Board of Regents to develop and adopt a policy to govern the sale of WOI-TV. Governance of Iowa State University should properly remain with the State Board of Regents and should not be prescribed by the legislature.

I am unable to approve the items designated as Sections 250, 251 and 252, in their entirety. These sections require that \$500,000 of Phase III, Educational Excellence moneys, be used for supplemental pay plans in districts which provide for additional work assignments relating to college bound student support programs for minority students. Plans for the expenditure of Phase III are developed by a committee appointed by the board of directors of a school district. The committee is encouraged to develop plans which include performance-based and supplemental pay plans. These provisions would circumvent the locally controlled plan development process by identifying a specific Phase III activity.

I am unable to approve the item designated as Section 253, in its entirety. This provision would allow Cultural Grant funds to carryover through August of the following fiscal year. This is in conflict with a provision which I have already approved in House File 639 which allows the funds to carryover for a full fiscal year.

I am unable to approve the item designated as Section 255, in its entirety. This provision specifies the duties of a Patent Librarian. Neither the funds nor the position were included in the State Library's budget, therefore, a delineation of the duties of a patent librarian is unnecessary.

I am unable to approve the item designated as Section 303, subsection 2, in its entirety. This provision would provide funding to community colleges for apprenticeship programs. I support the establishment of apprenticeship programs and would encourage trade associations to sponsor such programs. Given the current financial condition of the state, I cannot approve new funding for this purpose.

I am unable to approve the items designated as Sections 411, 416, 417, 418 and 419, in their entirety. These provisions would create a new Farm Assistance Fund and establish new \$60 fees to file and record various documents relating to agricultural land. The fees would be placed in a fund separate from the general fund and earmarked to support the program. This practice is inconsistent with our goal to move toward GAAP (generally accepted accounting principles) and imposes excessive new fees on the recording of certain agricultural documents.

I am unable to approve the item designated as Section 412, in its entirety. This provision would reverse action taken earlier in the session which transferred odometer fraud receipts into the general fund. The effect would be to undo the progress that has recently been made in reducing the number of special funds.

I am unable to approve the item designated as Section 423, in its entirety. This provision would limit the authority of the Department of Corrections to determine the use of new beds planned for the women's facility at Mitchellville. The Department of Corrections should retain the flexibility to decide whether the new beds may be used for male or female offenders.

I am unable to approve the items designated as Sections 505, 514, 515 and 516, in their entirety. These sections change the current standing appropriations for the mental health commission of inquiry and non-resident mentally ill transfer and commitment to regular appropriations. While I support a review of all standing unlimited appropriations and eliminating them whenever possible, if a fixed amount is appropriated, it must be sufficient to cover the costs of the program. The appropriations provided are seriously underfunded based on the current year's expenditures for the programs.

I am unable to approve the designated portions of Section 507, which would convert a number of other standing unlimited appropriations to fixed appropriations. Section 507, subsection 9, provides funds for court costs incurred by or on behalf of the state; Section 507, subsection 10, provides funds for emergency repairs or in the event of natural disaster relief for state citizens; Section 507, subsection 12, provides funds for cost of habeas corpus proceedings; Section 507, subsection 13, provides funds for payment of claims and awards against the state; Section 507, subsection 15, provides funds for compensation of officers and enlisted men in the National Guard called up when there is a disaster declared by the Governor; Section 507, subsection 16, provides funds for worker's compensation claims due to employees of the state. Again, I support the elimination of standing unlimited appropriations wherever possible, however, in all of these instances, the costs to the state cannot be controlled nor can they be fully anticipated. For example, it is impossible to anticipate the number of times The Iowa National Guard will be called up for disasters or emergencies. We cannot be limited in our ability to call on the Guard to provide assistance.

I am unable to approve the item designated as Section 507, subsection 17, in its entirety. This provision would eliminate the funding in fiscal year 1992 for the Telecommunications Network. This project is an important investment in the education system of Iowa that will pay dividends in economic development for years to come. This is a commitment that has already been made; a contract has been signed and federal funds secured. Only \$3 million of the \$5 million standing appropriation will be expended in fiscal year 1992.

I am unable to approve the item designated as Section 507, subsection 18, in its entirety. This provision would reduce by one-half of one percent the state aid appropriated to Iowa schools under the school foundation program. While future action may be necessary to reduce state spending, including spending for state aid to Iowa schools, education remains a top priority. I am unable to approve a reduction in basic school budgets at this time.

I am unable to approve the item designated as Section 525, in its entirety. This language would shift the cost of extraditing prisoners who have escaped across state lines from a specific appropriation to the Governor's office operating budget. These expenses are uncontrollable and cannot be anticipated, therefore, they should remain in a separate appropriation.

I am unable to approve the item designated as Section 632, in its entirety. This language provides for the continuation of health insurance benefits as an incentive for early retirement. Individuals between ages 55 and 65 who retire over the next two years would continue to receive health insurance benefits until age 65.

While I support the concept of early retirement as a voluntary means of reducing the work-force, this program is extremely costly and without clear result. There would be savings associated with the positions vacated through early retirement; however, many of these retirements would have occurred in any case. The state would then be paying for benefits unnecessarily. Moreover, with health care costs escalating so rapidly, the future cost of this program is unknown but potentially extreme. The program would continue to drain state resources for twelve years in the future. This is a risk the state cannot assume at this time.

For the above reasons, I hereby respectfully disapprove these items in accordance with Amendment IV of the Amendments of 1968 to the Constitution of the State of Iowa. All other items in House File 479 are hereby approved as of this date.

Sincerely,  
TERRY E. BRANSTAD, Governor

**CHAPTER 268**

**APPROPRIATIONS TO STATE DEPARTMENTS AND AGENCIES  
AND RELATED PROVISIONS  
S.F. 529**

**AN ACT** relating to and making appropriations to state departments, agencies, funds, and certain other entities, making related statutory changes, and providing effective dates.

*Be It Enacted by the General Assembly of the State of Iowa:*

**DIVISION I  
ADMINISTRATION**

Sec. 101. There is appropriated from the general fund of the state to the office of the secretary of state for the fiscal year beginning July 1, 1991, and ending June 30, 1992, the following amount, or so much thereof as is necessary, to be used for the purposes designated:

For salaries, support, maintenance, miscellaneous purposes, and for not more than the following full-time equivalent positions:

.....	\$	2,123,450
.....	FTEs	50.00

Sec. 102. There is appropriated from the general fund of the state to the offices of the governor and the lieutenant governor for the fiscal year beginning July 1, 1991, and ending June 30, 1992, the following amounts, or so much thereof as is necessary, to be used for the purposes designated:

1. For salaries, support, maintenance, and miscellaneous purposes for the general office of the governor and the general office of the lieutenant governor, and for not more than the following full-time equivalent positions:

.....	\$	993,462
.....	FTEs	17.00

2. For the governor's expenses and the lieutenant governor's expenses connected with office:

.....	\$	2,850
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3. For salaries, support, maintenance, and miscellaneous purposes for the governor's quarters at Terrace Hill, and for not more than the following full-time equivalent positions:

.....	\$	94,493
.....	FTEs	3.00

4. For the payment of expenses of ad hoc committees, councils, and task forces appointed by the governor to research and analyze a particular subject area relevant to the problems and responsibilities of state and local government, including the employment of professional,